

Hawarden Community Council
 Planning Committee
 9 January 2023

ITEM 11
 (11)

Planning Applications for consideration:

No.	Planning Application Number & Date	Proposal	Address	CASE OFFICER

1.	000655 Ward: Hawarden Aston	To Regularise and Retain the Erection of a Detached Garage to the South of the Stables and other Existing External/Internal Alterations to the Listed Stables, the installation of a new window in the South Stable Elevation and the construction of a linking Structure between the main former Stable Building and the Annex to the West.	Castle Hill Stables, Stamford Way, Ewloe	S Connah Docs available
2.	000656 Ward: Hawarden Aston	Listed Building Application to Regularise and Retain the Erection of a Detached Garage to the South of the Stables and other Existing External/Internal Alterations to the Listed Stables, the installation of a new window in the South Stable Elevation and the construction of a linking Structure between the main former Stable Building and the Annex to the West.	Castle Hill Stables, Stamford Way, Ewloe	S Connah Docs available
3.	000757 Ward: Hawarden Ewloe	Proposed new Porch	Pantille Lane, Off Paradise La Hawarden	A Hinchly
4.	000753 Ward: Hawarden	Proposed Utility room and conservatory	14, Vale Avenue, Hawarden	A Hinchly

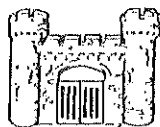
5.	000729 Ward: Hawarden Mancot	remove 2 monkey puzzle trees (M1 and M2). They are very large and take up a lot of space in the small garden. The occupant of the property has small children and the debris from the trees is sharp and dangerous. Works to a beech tree (B1) to include reducing the crown spread by 2-2.5m over the neighbour's property and to reduce the crown slightly less in other directions. The height will be reduced by 1-2m with the crown rounded over to form a natural shape. At the same time the crown will be thinned out by 10% to remove dead, small crossing and any rubbing branches.	Allendale 64, Glynne Way, Hawarden	S Body
6.	000738 Ward: Hawarden Ewloe	Siting of a Bespoke Commercial Container to provide floor space for a Local Hairdressers	Standwell House, Holywell Road, Ewloe,	L Pinches (no docs available)

Accounts for Payment			
Jan-23			
Ref:	Method	Item	Cost
H/22/315	DD	BES - Electricity Nov/Dec	£152.62
H/22/316	DD	SSE - unmetered supplies - November	£3,045.12
H/22/317	DD	Dwr Cymru - 113 The Highway - December	£24.18
H/22/318	DD	OneCom - Broadband & L/L - November	£105.65
H/22/319	DD	Air Liquide - cylinder rental	£17.76
H/22/320	1022(FG)	Morgans of Deeside - work jacket - HW	£34.40
H/22/321	1022(FG)	Euro Car Parts - oil/air filter - CU16LGX	£31.64
H/22/322	BACS	Snapfast - 30 x LEDs + photocells	£4,140.00
H/22/323	BACS	Done & Dusted - deep clean December	£60.00
H/22/324	0726(SJ)	Charlies - buckets/mops	£31.66
H/22/325	BACS	ldata - CCTV maintenance	£46.20
H/22/326	BACS	Samco - work boots - H.W.	£89.94
H/22/327	1022(FG)	Quickco - silicone sealant - YK 19 KKL	£25.33
H/22/328	DD	EE - mobiles December/January	£59.80
H/22/329	BACS	Viking - business name stamp - HCC	£19.64
H/22/330	DD	BES - Gas - December	£102.00
H/22/331	DD	Scottish Power - Pavilion/Depot - December	£102.00
H/22/332	BACS10	Lloyds Bank - Salaries January	£13,195.26
H/22/333	BACS	Clwyd Pension Fund - Salaries January	£5,118.01
H/22/334	BACS	HMRC - Salaries January	£5,069.09
			£31,470.30

TOTAL:

Chair of Finance:

Chair of Council:



**HAWARDEN COMMUNITY COUNCIL
CYNGOR CYMUNED PENARLAG**

9th January 2023
Annual Budget 2023-24

1.	Name of Councillor(s)/ Officer	Clerk and Financial Officer and Finance Working Group
2.	Title of Report	Annual Budget and Precept Demand for 2023-24
3.	Purpose of Report	To consider the Council's draft budget and precept for the year 2023-24. The council's Finance Working Group has met on two occasions to review the budget line by line.
4.	Background to this request	Each year when the Community Council sets its draft budget and precept it must also consider the level of reserves it has to make sure that the reserves are adequate. The council has to keep between three and twelve months' worth of operating costs in its reserves which ranges from approximately £100,000 to £400,000 based on current estimates. As at 30 th November the council's reserves sit at £328,887 noting that four months of income and expenditure is still awaited. An advisory note is appended to this report about reserves and balances.

		The Council is also holds a significant amount of assets including community buildings and fleet which are not currently budgeted for in ear-marked reserves.
5.	Financial Implications	The draft budget attached shows an annual predicted expenditure of £440,058 and a predicted income of £441,673 with a net surplus of £1,615.
5.1		The budget includes the following recommendations of the Finance Working Group:
5.2		Inflationary increases on utilities and other annual costs at 11%.
5.3		Increases on gas and electric based on existing data and expected increases.
5.4		Salaries have been budgeted at an increase of 5% based on an average of other councils.
5.5		National Insurance contributions for both the employer and the employee increased by 1.25% in April 2022 but were reduced again in November 2022.
5.6		Employer pension contributions have increased by 1.3% from 21.8% to 23.1% following the recent three-year actuarial valuation from the Clwyd Pension Fund.
5.7		Mandatory Member Allowances have increased to £156 per member, plus consumables upon receipt. Considering the new allowances and ear marked reserves carried forward, an amount of £2,376 has been included. <i>Please note that the Independent Remuneration Panel report is a draft.</i>
5.8		Annual budget provision should be earmarked for replacement vehicles.

5.9		The cost of the local Community Council elections for May 2022 could have been in the region of £18,000 based on information supplied by the County Council's electoral office. <i>It is suggested that an amount is included each year as ear-marked reserves for the next election in 2027. Suggestion is £4,000 per year leading up to the elections.</i>
5.10		<p>Members will recall that the Precept was set last year at -2% on condition that the precept would have to be increased in 2023-24 to accommodate for this. This cost to the council for this reduced precept was over £12,000 last year.</p> <p>This reduction, coupled with the increase in energy charges and the national pay award for the current year means that the council has heavily relied on its reserves this current financial year.</p>
5.11		Ear-marked reserves are currently as per the attached schedule. It is suggested to add a £10,000 contingency budget into ear-marked reserves rather than include this in the annual budget, together with an additional £4,000 per year towards the cost of the Local Government elections in 2027 (as par para 5.9 above).
6.	Environmental Implications	None directly associated with this report but the budget contains finances for open spaces and tree management.
7.	Decision sought by Council	<p>To consider and agree the proposed draft budget as per the attached schedule.</p> <p>The budget, as presented, includes a precept of £303,896 which equates to a council tax band D property of £47.56 representing an increase of £3.93 therefore £0.08 per week.</p>
8.	Equality implications	None directly associated with this report.

Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	2021-22		2022-23			2023-24			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
100 Staffing									
4101 Salaries - Ad	60,763	60,497	64,541	38,153	64,541	0	61,740	0	0
4102 Superannuation - Ad	23,206	21,611	21,076	12,858	21,076	0	26,039	0	0
4103 PAYE - Ad	10,558	10,294	9,787	7,473	9,787	0	12,707	0	0
4104 NIC - Ad	14,321	13,276	13,369	9,439	13,369	0	14,363	0	0
4105 Travelling - Ad	750	425	750	364	750	0	750	0	0
4106 Training - Ad	3,500	2,011	4,000	3,682	4,000	0	4,000	0	0
4111 Salaries - Mt	68,850	73,470	73,891	52,561	73,891	0	82,512	0	0
4112 Superannuation - MT	22,551	25,265	24,499	14,496	24,449	0	15,221	0	0
4113 PAYE- Mt	10,869	10,668	10,261	6,581	10,261	0	11,565	0	0
4114 NIC - Mt	14,639	13,708	13,236	12,022	13,236	0	20,629	0	0
4115 Travelling - Mt	200	119	200	29	100	0	200	0	0
4116 Training - Mt	1,000	1,190	1,500	2,901	2,901	0	1,500	0	0
Overhead Expenditure									
	231,207	232,533	237,110	160,559	238,361	0	251,226	0	0
Movement to/(from) Gen Reserve	<u>(231,207)</u>	<u>(232,533)</u>	<u>(237,110)</u>	<u>(160,559)</u>	<u>(238,361)</u>		<u>(251,226)</u>		
200 Premises									
4201 Rates - Ad	2,294	2,220	2,362	3,641	3,640	0	4,040	0	0
4202 Repairs - Ad	250	0	250	0	250	0	250	0	0
4203 Energy - Ad	1,236	1,952	1,606	1,678	2,000	0	2,517	0	0
4204 Water - Ad	391	123	403	193	403	0	200	0	0
4205 Insurance - Ad	800	794	2,324	1,641	1,641	0	1,810	0	0
4206 Fire Protection - Ad	100	112	120	702	702	0	300	0	0
4211 Rates - Mt	3,870	3,745	3,857	3,745	3,745	0	4,157	0	0

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Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	2021-22		2022-23			2023-24			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4212 Repairs - Mt	100	524	100	0	100	0	0	0	0
4213 Energy - Mt	2,000	1,566	2,600	708	1,300	0	1,360	0	0
4214 Water - Mt	400	917	1,275	185	500	0	1,000	0	0
4215 Insurance - Mt	1,100	1,105	2,324	1,901	1,901	0	2,110	0	0
4216 Fire Protection - Mt	250	262	270	0	270	0	300	0	0
4217 Depot contingency	1,000	3,229	1,000	494	1,000	0	1,000	0	0
Overhead Expenditure	13,791	16,549	18,491	14,888	17,452	0	19,044	0	0
Movement to/(from) Gen Reserve	(13,791)	(16,549)	(18,491)	(14,888)	(17,452)		(19,044)		
300 Administration									
1301 Joint Services Ad Contrib	43,471	51,257	43,687	29,934	43,687	0	46,881	0	0
Total Income	43,471	51,257	43,687	29,934	43,687	0	46,881	0	0
4301 Telephones Landline/Broadband	1,848	695	1,800	618	1,200	0	1,000	0	0
4302 Computer	500	25	500	58	500	0	500	0	0
4303 Photocopier	1,000	1,353	1,110	574	1,000	0	1,000	0	0
4304 Stationery	750	701	750	528	750	0	750	0	0
4305 Office Cleaning	360	385	360	180	420	0	420	0	0
4306 Health & Safety	200	318	200	0	200	0	200	0	0
4307 Audit	600	691	600	711	710	0	600	0	0
Overhead Expenditure	5,258	4,168	5,320	2,669	4,780	0	4,470	0	0
Movement to/(from) Gen Reserve	38,213	47,089	38,367	27,265	38,907		42,411		
400 Maintenance									

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Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	2021-22		2022-23			2023-24			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
1401 Joint Services Contrib Mt	77,821	89,596	94,079	52,179	94,079	0	85,996	0	0
Total Income	77,821	89,596	94,079	52,179	94,079	0	85,996	0	0
4401 Vans Fuel	1,500	1,790	1,545	1,258	1,545	0	1,715	0	0
4402 Vans Repairs/MOT	1,000	1,260	1,000	-311	500	0	1,000	0	0
4403 Vans Tyres	300	259	300	0	300	0	300	0	0
4404 Vans Insurance/Tax	1,500	2,719	1,500	2,011	2,011	0	2,232	0	0
4411 Tractor Fuel	1,500	1,160	1,500	1,337	1,500	0	2,000	0	0
4412 Tractor Repairs	1,000	809	1,000	1,629	1,629	0	1,000	0	0
4413 Tractor Tyres	200	0	600	28	600	0	600	0	0
4414 Tractor Insurance	600	597	615	662	662	0	735	0	0
4421 Trailer Repairs	500	44	500	97	500	0	500	0	0
4422 Trailer Tyres	50	163	50	0	50	0	50	0	0
4431 Hoist Repair	500	526	500	297	500	0	500	0	0
4441 Trailed Mower Repair	500	0	500	140	500	0	500	0	0
4443 Handmower Repair	300	527	300	41	300	0	300	0	0
4444 Handmower Purchase	600	0	600	0	600	0	600	0	0
4445 Herbicide	600	891	900	0	900	0	900	0	0
4451 Welding Equipment Repair	50	25	50	0	50	0	50	0	0
4452 Welding Equipment Gas	168	226	209	99	209	0	200	0	0
4453 Welding Equipment Purchase	100	0	100	0	100	0	100	0	0
4461 Equipment/Tools Repair	500	403	500	553	750	0	500	0	0
4462 Equipment/Tools Hire	0	511	0	0	0	0	0	0	0
4463 Equipment/Tools Purchase	1,500	3,720	1,500	1,638	2,000	0	1,500	0	0
4471 Skip Hire	0	175	0	350	0	0	175	0	0

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HAWARDEN COMMUNITY COUNCIL

Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	2021-22		2022-23			2023-24			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4481 Health & Safety Clothing	500	564	500	580	650	0	600	0	0
4482 Health & Safety Equipment	200	1,505	400	128	400	0	400	0	0
4483 Health & Safety Training	500	0	500	0	500	0	1,000	0	0
4491 Mobile Telephones	540	596	513	344	513	0	600	0	0
4495 Lighting Requisites	16,000	18,361	16,000	6,485	16,000	0	15,000	0	0
4499 Contingency - Mt	500	71	500	23	500	0	500	0	0
Overhead Expenditure									
	31,208	36,901	32,182	17,388	33,769	0	33,557	0	0
Movement to/(from) Gen Reserve									
	46,613	52,696	61,897	34,791	60,310		52,439		
500 General									
1501 Precept	283,311	283,311	276,547	184,365	276,547	0	303,896	0	0
1502 Bank Interest - Instant Acc	27	10	14	35	52	0	35	0	0
1503 Bank Interest = 30 Day	50	22	23	105	52	0	115	0	0
1506 Miscellaneous Income	5,000	3,910	10,000	5,318	15,318	0	0	0	0
Total Income	288,388	287,253	286,584	189,823	291,969	0	304,046	0	0
4501 IT Systems Maintenance & Subs	1,500	2,674	2,100	1,950	2,100	0	2,300	0	0
4502 Conferences	1,000	597	1,000	875	1,000	0	1,000	0	0
4503 Insurance	2,500	2,613	2,690	0	0	0	0	0	0
4504 Audit	560	0	577	-1,200	650	0	0	0	0
4505 Mandatory Member Allowances	2,550	1,650	3,650	930	3,650	0	2,300	0	0
4506 Petty Cash	100	119	100	0	100	0	100	0	0
4507 Legal Fees	1,600	0	1,600	2,613	4,113	0	2,000	0	0
4508 Miscellaneous - Gen	500	2,851	500	7	500	0	500	0	0

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Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	<u>2021-22</u>		<u>2022-23</u>			<u>2023-24</u>			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4509	50	0	50	0	0	0	50	0	0
4510	0	483	500	362	362	0	2,000	0	0
4511	400	540	400	628	650	0	500	0	0
4512	3,000	763	12,562	5,719	6,500	0	5,000	0	0
4513	1,000	1,250	2,500	1,204	1,204	0	0	0	0
	14,760	13,540	28,229	13,087	20,829	0	15,750	0	0
	273,628	273,713	258,355	176,736	271,140	0	288,296	0	0
6001	0	6,190	0	0	0	0	0	0	0
	273,628	267,523	258,355	176,736	271,140		288,296		
600	Community Funding (LG Act 1972)								
4601	1,463	5,716	5,887	6,160	6,160	0	6,384	0	0
4602	1,000	650	1,000	440	1,000	0	3,000	0	0
4603	6,400	6,400	6,400	6,400	6,400	0	6,400	0	0
4604	0	0	0	2,823	0	0	0	0	0
4605	5,000	6,308	10,000	0	2,000	0	3,000	0	0
4606	350	382	300	317	317	0	300	0	0
4607	235	231	235	0	235	0	265	0	0
4608	4,925	5,425	5,700	5,850	6,350	0	5,700	0	0
4610	0	133	0	0	0	0	200	0	0
	19,373	25,244	29,522	21,990	22,462	0	25,249	0	0
6000	0	5,716	0	0	0	0	0	0	0
	(19,373)	(19,528)	(29,522)	(21,990)	(22,462)		(25,249)		

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Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	2021-22		2022-23			2023-24			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
700									
Open Spaces									
1701	500	500	500	300	500	0	500	0	0
1703	200	2,160	200	200	200	0	200	0	0
1704	780	986	920	-1,017	-1,017	0	800	0	0
	1,480	3,646	1,620	-517	-317	0	1,500	0	0
Total Income									
4700	700	700	700	700	700	0	700	0	0
4701	120	81	120	80	120	0	120	0	0
4702	200	2,300	500	0	500	0	1,000	0	0
4703	250	0	250	0	250	0	250	0	0
4704	10,000	7,861	10,000	4,772	10,000	0	5,000	0	0
4705	200	0	200	0	200	0	200	0	0
4707	100	1,650	100	36	100	0	100	0	0
4708	250	104	2,500	3,900	3,900	0	2,500	0	0
4709	250	0	250	0	250	0	250	0	0
	12,070	12,696	14,620	9,488	16,020	0	10,120	0	0
Overhead Expenditure									
	-10,590	-9,049	-13,000	-10,005	-16,337	0	-8,620	0	0
700 Net Income over Expenditure									
6000	0	4,340	0	0	0	0	0	0	0
6001	0	82,179	0	0	0	0	0	0	0
	(10,590)	(86,886)	(13,000)	(10,005)	(16,337)		(8,620)		
Movement to/(from) Gen Reserve									
800									
Highways/Verges									
4800	30	0	0	0	0	0	0	0	0
Gladstone Memorial Fountain									

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Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	<u>2021-22</u>		<u>2022-23</u>			<u>2023-24</u>			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4801 Lengthsman	31,620	32,318	32,476	21,477	34,928	0	37,442	0	0
4802 Lengthsman Supplies	1,200	3,238	2,000	3,356	4,000	0	3,500	0	0
4803 Planting & Maintenance -H&V	200	0	200	0	200	0	200	0	0
4804 Litter Bins (Litter Act 1983ss	600	0	600	0	600	0	600	0	0
4807 New Van	10,000	32,599	0	0	0	0	0	0	0
4808 Miscellaneous - H&V	100	0	100	0	100	0	100	0	0
4809 CCTV (LG&Rating Act 1997s31)	2,000	597	2,000	656	2,000	0	500	0	0
			<u>37,376</u>	<u>25,489</u>	<u>41,828</u>	<u>0</u>	<u>42,342</u>	<u>0</u>	<u>0</u>
6001 Overhead Expenditure	45,750	68,752	37,376	25,489	41,828	0	42,342	0	0
	0	10,000	0	0	0	0	0	0	0
	<u>(45,750)</u>	<u>(78,752)</u>	<u>(37,376)</u>	<u>(25,489)</u>	<u>(41,828)</u>		<u>(42,342)</u>		
900 Public Lighting									
4901 Electricity - PL	12,000	12,791	13,000	24,815	37,223	0	34,500	0	0
4904 Connections/Transfers	2,000	3,678	2,000	537	2,000	0	2,000	0	0
4905 Replacements	800	0	800	0	800	0	800	0	0
	<u>14,800</u>	<u>16,469</u>	<u>15,800</u>	<u>25,351</u>	<u>40,023</u>	<u>0</u>	<u>37,300</u>	<u>0</u>	<u>0</u>
	<u>(14,800)</u>	<u>(16,469)</u>	<u>(15,800)</u>	<u>(25,351)</u>	<u>(40,023)</u>		<u>(37,300)</u>		
1000 Allotments (SH&AAct1908s23)									
11001 Allotment Rents Received	3,087	3,241	3,180	578	3,180	0	3,250	0	0
	<u>3,087</u>	<u>3,241</u>	<u>3,180</u>	<u>578</u>	<u>3,180</u>	<u>0</u>	<u>3,250</u>	<u>0</u>	<u>0</u>
41001 Allotments	500	628	500	691	750	0	1,000	0	0
	<u>500</u>	<u>628</u>	<u>500</u>	<u>691</u>	<u>750</u>	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>0</u>
Overhead Expenditure									
	<u>500</u>	<u>628</u>	<u>500</u>	<u>691</u>	<u>750</u>	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>0</u>

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Annual Budget - By Centre (Actual YTD Month 8)

Note: Draft Budget Proposal 2023-24

	2021-22		2022-23			2023-24			
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
Movement to/(from) Gen Reserve	<u>2,587</u>	<u>2,612</u>	<u>2,680</u>	<u>(113)</u>	<u>2,430</u>		<u>2,250</u>		
1110 Holding Account									
41105 Contingency	10,000	0	10,000	0	0	0	0	0	0
Overhead Expenditure	10,000	0	10,000	0	0	0	0	0	0
Movement to/(from) Gen Reserve	<u>(10,000)</u>	<u>0</u>	<u>(10,000)</u>	<u>0</u>	<u>0</u>		<u>0</u>		
Total Budget Income	<u>414,247</u>	<u>434,993</u>	<u>429,150</u>	<u>271,997</u>	<u>432,598</u>	<u>0</u>	<u>441,673</u>	<u>0</u>	<u>0</u>
Expenditure	<u>398,717</u>	<u>427,480</u>	<u>429,150</u>	<u>291,600</u>	<u>436,274</u>	<u>0</u>	<u>440,058</u>	<u>0</u>	<u>0</u>
Net Income over Expenditure	<u>15,530</u>	<u>7,514</u>	<u>0</u>	<u>-19,603</u>	<u>-3,676</u>	<u>0</u>	<u>1,615</u>	<u>0</u>	<u>0</u>
plus Transfer from EMR	0	10,056	0	0	0	0	0	0	0
less Transfer to EMR	0	98,369	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve	<u>15,530</u>	<u>(80,799)</u>	<u>0</u>	<u>(19,603)</u>	<u>(3,676)</u>		<u>1,615</u>		

ADVICE NOTE - Local Council Reserves and Balances

Following the introduction of the Accounts and Audit Regulations in 1996, which can be considered as the birth of the modern rules governing local council accounting and audit procedures, a question was asked in the House of Commons to the then Minister of Local Government regarding the level of reserves which a local council should maintain.

The answer given is still current – although Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement, statute or regulations do not dictate that a local council should maintain reserves of any particular size or, indeed, that they should maintain any at all. It is widely accepted that a case for a statutory minimum level of reserves, even in exceptional circumstances, has not been made. However, due prudence does require that reserves are built up and maintained.

When reviewing the medium term financial plans and preparing the annual budget the prudent local council will consider the establishment and maintenance of reserves. These will be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing (overdraft) e.g. prior to receipt of precept – this forms part of general reserves,
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves,
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

With regard to the General Reserve, the question of size has often been asked. The advice to external auditors is that general (i.e. un-earmarked) revenue reserves usually lie within the range of three to twelve months gross expenditure but that the amount should be risk assessed and approved by the Council. The external auditor might still, and taxpayers would also be within their rights to, seek answers regarding the size of any General Reserve relative to the precept. Where a council's year-end General Reserve is significantly higher than the annual precept an explanation should be provided to the external auditor.

Earmarked Reserves are entirely different to the General Reserve and should be established whenever there is a need to "save up" for expected and significant future expenditure as it would be unwise to expect the taxpayer to fund a significant purchase in any one year. The funding for the purchase, for example, of a new vehicle or a new village hall should be "spread" over a number of years so that the total financial burden does not fall to the taxpayer in one single precept. Each year's precept should include an "instalment" which can be transferred to the earmarked reserve and used at the time the expenditure is needed. Earmarked Reserves not eventually spent on the purpose intended should not simply be transferred to the General Reserve but used to reduce the precept or for other capital expenditure in the current or next financial year.

Barrie Woodcock,

SLCC National Financial Advisor.

March 2009.

Earmarked Reserves

<u>Account</u>	<u>Opening Balance</u>	<u>Net Transfers</u>	<u>Closing Balance</u>
320 EMR - Mandatory Member Allowan	2,400.00		2,400.00
321 EMR - Summer Play Scheme	0.00		0.00
322 EMR - Comm Centre, Ewloe	20,000.00		20,000.00
323 EMR Aston s106	4,969.50		4,969.50
324 EMR - Mancot s106	1,524.00		1,524.00
325 EMR - Elections	2,287.00		2,287.00
326 EMR - CCTV	1,403.00		1,403.00
327 EMR - Play Equip/Areas	80,000.00		80,000.00
328 EMR - Christmas Lighting	10,000.00		10,000.00
329 EMR - Legal fees	1,600.00		1,600.00
	<u>124,183.50</u>	<u>0.00</u>	<u>124,183.50</u>