

Ettington Parish Council

Report to Council

Date: 8 February 2017

Item 17/appendix 6

Ear Marked Reserves 2017-18

1 Background

This is the first stage of budget setting for 2017-18 was agreed at the meeting of 12 January when a precept request of £31,900 (+£330 Precept Support Grant) was agreed. This request has now been submitted to Stratford District Council.

The second stage in budget setting is to agree a draft Ear Marked Reserves budget.

2 Ear Marked Reserves

The purpose of Ear Marked Reserves is to ensure that likely future expenditures are allowed for. EMR was introduced in Ettington PC in order to ensure that External Audit did not query why the Council cash reserves were excessive.

3 Explanatory Notes

The spreadsheet below shows:

- a) The EMR as agreed in respect of 2016/17;
- b) The budget underspend in respect of corresponding lines in the 2016/17 budget;
- c) Additional lines
 - a. Contingency and Capital Expenditure – we should be moving away from having a contingency line in the annual budget as the EMR management “matures”;
 - b. Elections – the principle of building election costs into the precept was agreed in respect of the 2016/17 budget but these are likely to arise every fourth year and, therefore each year’s amount should be “transferred” to EMR.
- d) Unless there is a comment the proposed EMR budget for 2017-18 is simply a total of the 2016-17 EMR plus the underspend of the corresponding 2016-17 budget.
- e) The EMR budget cannot be finalised until the 2016/17 outturn is known.

4 Action Required

- a) To seek clarification as required (any significant queries to be e-mailed to the Clerk prior to the meeting) ;
- b) To consider whether there are other likely future expenditures which should be built into EMR and whether there are current lines of EMR which are not required/appropriate;
- c) To consider whether the amounts detailed for 2017/18 are appropriate;

	EMR	Underspend	Proposed	Comment
	16/17	16/17	17/18	
Neighbourhood Plan	5000	580	5580	
Young People Project	12500		13500	£1k Contingency/Capital
Community Centre	10000		10000	
IT Equipment	1000		1200	£200 from C/C
Playground Repair	1500	700	2200	
Playground Upgrade	8000	1000	9000	
Mower Replacement	2500		3500	£1k from C/C
Court Repair	1000		1665	£665 from C/C
Community Centre Development	8000		8000	
Election	0	250	500	£250 from C/C
Contingency		2000		
Capital Expenditure		1115		
Total	49500	5645	55145	
Total of EMR and underspend		55145		