Hemington,Luddington and Thurning Parish Council

Reserves Policy

Hemington, Luddington and Thurning Parish Council has maintained good cash balances for a number of years in order to ensure that it has sufficient to meet unexpected costs should they arise.

Policy Statement

The Parish Council will maintain earmarked reserves to cover potential significant costs that would need to be met before the drawdown of an annual precept. These will include specific contingencies in relation to the democratic process or projects that it intends to instigate in the near future.

As a small Parish Council it is unusual for a vacancy on the Council to be contested – most positions are filled by co-option. In the event that a vacancy is contested, there would need to be an election for which charges would be made by Electoral Services at North Northamptonshire Council. A reserve is held to cover this eventuality.

Much of the business of the Parish Council is in relation to the review of planning applications. There has been cause in the past to contest the decision of the Planning Authority. The cost of running an appeal would be significant and a reserve is held as a contingency for such an event.

The Parish Council is responsible for a Pocket Park in Thurning. There are some earmarked funds inherited on the formation of the Parish Council and there is an identified need to regularise the legal position regarding the ownership, and to carry out significant maintenance work to ensure the park can be used effectively as an asset by the community. Grant funds received are held with other amounts in an earmarked fund until expended.

A general reserve is held approximating to three months expenditure as a contingency against unexpected costs or inflationary cost increases, and to cover budgeted expenses in excess of the next annual precept.

The Council will hold earmarked reserves where it receives grants dedicated to a particular purpose that have not been expended in full in a financial period.

Reserves at 31 March 2023

Reserve	Type	Amount at 31/3/23	Amount at 31/3/24
Pocket Park Reserve	Earmarked	£2,513.23	£4,513.23
Website development fund	Earmarked	£328.00	£328.00
Luddington Defibrillator	Earmarked	£1,500.00	£1,500.00
Contested Election Reserve	Contingency	£2,500.00	£2,500.00
Planning Appeal Reserve	Contingency	£2,000.00	£2,000.00
General expenditure/ inflation reserve	Contingency	£515.09	£963.09
		£9,356.32	**£11,804.32**

Date Reviewed	March 2024
Date of next review	March 2025