

Stillingfleet Parish Council

Reserves Policy

1: INTRODUCTION

As well as managing "operational" budgets on a year-to-year basis, the Parish Council also manages its sustainable long-term future. This document explains how this would be achieved.

2: RESERVES POLICY

The general reserve of an authority comprises its cash flow and contingency funds to cover unexpected inflation, unforeseen events and unusual circumstances.

In all of this it is important that each authority adopt, as a general reserve policy, the level appropriate to their size, situation, risks and plan their budget so as to ensure that the adopted level is maintained. Consideration of the minimum level of reserves requires not only consideration of level of income and expenditure but also the risks to that income.

Stillingfleet PC's Reserve Policy is to aim to hold the equivalent of 12 months predicted revenue expenditure (RE) as a general reserve in the current account for normal day-to-day running of Stillingfleet PC, with any surplus over and above predicted RE transferred to ear marked reserves (EMR) in its NS&I account.

The PC recognises its duty to the Council Tax-payers of Stillingfleet Parish to use their money wisely. Therefore, the PC will seek to maximise the interest / return on the money it holds as EMR on behalf of the local residents, without incurring inappropriate risks. This will enable the value of the money held to increase, thereby decreasing the impact on future precepts.

3: EAR MARKED RESERVES (EMR)

At the financial year-end the Parish Council decides how much is available to transfer into its EMR. The values of the EMRs are reported to each Full Council meeting.

Full Council's approval is required for any expenditure from the EMR.

The purpose and operation of the current EMR is detailed below.

EMR	Current Balance	Top up 2024/25	Total 2024/25
Playground Sinking Fund	£245	Nil	£245

Policy adopted by Stillingfleet Parish Council	4 April 2024
Signed : Cllr Juan Brooks, Chair	