

## REVIEW OF THE CURRENT RESERVES HELD BY THE PARISH COUNCIL

### 1. Current Position

As reported to the January Parish Council the current reserves position is:

<b>Reserves (as of 24.1.22)</b>			
SOURCE	AMOUNT		
Community Infrastructure Levy	£4,357.92		ring fenced
Remaining Quinn Donation	£52,899.38		
Other Reserves	£32,590.92		Henry Town plus cumulative underspends
<b>Total</b>	<b>£89,848.22</b>		
Less recommended minimum reserves	£20,000		Internal auditor recommended that councillors be advised if reserves drop to this level. This was at the time the council had decided to pursue a traffic calming scheme costing £ which would be costly to maintain
Less CIL	£4,357.92		
Less Repairs fund	£500.00		
<b>Available to spend</b>	<b>£64,990.30</b>		

General, unallocated reserves are made up of the Henry Town legacy and cumulative underspends. No decisions have been specifically linked to these reserves as with the Quinn Donation, neither has spending of these reserves been recorded and monitored

### 2. Previous Decisions and Commitments Regarding Quinn Donation

**6<sup>th</sup> November 2017** - it was resolved to seek resident's suggestions to spend the Quinn donation

**19<sup>th</sup> March 2018** – reviewed all suggestions according to legality and feasibility and divided into Red – no go; Amber – unlikely; Green – explore further.

**10<sup>th</sup> May 2019** – Speed Indicator devices added to the list to be explored

**22 January 2019** – Cllrs Collins and Brown tasked to open discussions with the Landlord of the Kings Head regarding purchase of freehold for village green. Point of Interest Stone added to the list of schemes

**12 March 2019** – regarding purchase of the village green report back from Cllrs Collins and Brown led to decision to await advice from the landlord of the Kings Head before proceeding further

**8 November 2021** - It was agreed that the council will explore options to purchase land which might potentially assist the project.

Summary of progress on schemes originally identified as “Green” is as follows:

<b>SUGGESTION</b>	<b>OUTCOME</b>
Christmas event	Funded from revenue budget
Purchase Village Green	Still being pursued
Car Park for Village Hall	Only potential site found not to be viable after feasibility review. Now rated red
Car Parking in the village	As above. Now rated red
Traffic Calming	Scheme implemented
Slow sign in Woodcock Lane	Need not proven. Now Amber
Village Gates	Implemented
Lighting Passage Next to Kings Head	Implemented
<b>ADDED LATER</b>	
Grant to Platts Heath School	Grant Made
Path in Churchyard	Awaiting estimate
Purchase land for community shop	Awaiting approach from committee. Current preferred option is village green therefore no extra cost
Speed Indicator Devices	Application rejected by KCC
Points of Interest Stone/later footpath map	Implemented

### 3. Quinn Spending to date

Quinn Donation Spend to date		
Platts Heath School Donation	Donation for equipment	2500
MLM	Design Fees	6,150
Village Hall	Donation - village hall refurbishment	11307.39
KCC Highways	Design Fees	3819.00
KCC Highways	Traffic Calming Final Payment	19610.23
Advanced Transport Research	Traffic Survey	354.00
Kent County Council	Footpath Map	2838.00
Shop Committee	Grant to Community Shop Committee	522.00
<b>TOTAL</b>		<b>47,100.62</b>
<b>Remaining</b>		<b>52899.38</b>

### 4. Current position on the purchase of the village green

The chairman has recommenced discussions with the Landlord at the Kings Head and will report progress to the meeting on 7<sup>th</sup> March 2022.

### 5. Advice on Minimum Reserve Holdings

NALC guidance suggests that an appropriate level of unallocated reserves would be six months, or 50%, of the annual budget –i.e. approaching £4K. During his annual review in May 2021, the internal auditor recommended that once the reserves fell to £20K councillors should be advised to maintain that level. This was not included in his annual report, but I suspect arose from his awareness that we were pursuing an expensive traffic calming scheme at the time with higher maintenance costs (e.g. the granite sets in the chicanes). We had also agreed to create a “Repairs Fund” which would also swell the reserves over time. A minimum level of reserves might derive from the NALC recommended £4K plus the repairs fund intended to build up towards £10K making £14K in total? This could be rounded to £15K. The council has now abandoned the repairs fund idea due to the lower cost of repairs and the size of the reserves. The council should review its “minimum level of reserves” in view of both the NALC guidance and the lower level of potential repairs costs for the speed reduction scheme. **It is suggested that a minimum level of reserves should be set at £15K, but the Internal Auditor is asked to review this figure and advise the council on this suggested figure is appropriate.**

## **6. Suggested Actions**

I recommend the following:

- (i) The remaining Quinn Donation money - £52899.38 – is allocated for the potential purchase of the village green and held for a further 12 months and then reviewed**
- (ii) Minimum reserves are set at £15K – subject to any views from the Internal Auditor in his annual visit in May 2022. This should enable the council to cover any major unforeseen difficulties and the maintenance of the speed reduction scheme.**
- (iii) This leaves £17,591.92 unallocated and available to spend and should be used for small projects as they arise such as the path in the churchyard, replacement of stiles with gates, SID and purchase of land on which to locate the village shop**
- (iv) The Council should ask the Clerk to produce a “Reserves Policy” for approval at the next Parish Council Meeting. The attached example provides an indication of this requirement.**
- (v) The council should conduct an annual review of its reserves to update its policy. This should take place at the same time as setting the revenue budget**

Parish Clerk, 28<sup>th</sup> February 2022