



TODMORDEN TOWN COUNCIL REPORT TO THE EMERGENCY COMMITTEE

REPORT AUTHOR	Colin Hill – Town Clerk and Responsible Financial
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Date	6th May 2020
SUBJECT	Earmarked Reserves

PURPOSE:

1. To advise Members that Earmarked Reserves as at 31st March 2020 stood at £83,500.
2. To present to Members a recommendation that at the start of the financial year 2020/21 to move £40,000 from revenue budgets to Earmarked Reserves.
3. To reflect that in the budget set for 2020-21, provision was made for £5,000 Election costs and £35,000 for Community Development projects, both of which are not currently determined to be required in the early stages of this financial year as likely revenue expenditure.

BACKGROUND:

4. When setting the budget for 2020-21 it was identified that in addition to additional revenue expenditure required to cover property related ownership, provision was needed to build up a reserve for future Election costs.
5. It was also identified that further contributions were required to the Community Development Reserve in order to enable Members to consider contributing to Community Development initiatives that may require some pump priming of funds to lever in substantially greater external funds, and or to provide the financial resource, should changes in office tenure be required.

FINANCIAL IMPLICATIONS:

6. On agreement of transfer to Earmarked Reserves of £40,000 from revenue budget, budgets will be realigned.

RECOMMENDATION:

7. That Members of the Emergency Committee agree to a transfer of £40,000 from Revenue Budgets to Earmarked Reserves as follows.

Earmarked Reserve	Balance 31st March 2020	Transfer	New balance
Emergency Flood Repair	£20,000	Nil	£20,000
Skate Park	£10,000	Nil	£10,000
Community Development	£15,000	£35,000	£50,000
Elections	£5,000	£5,000	£10,000
Station Access	£25,000	Nil	£25,000
IT upgrade	£8,500	Nil	£8,500
Total Earmarked Reserves	£83,500	£40,000	£123,500

REASON FOR RECOMMENDATION:

8. It is good budget management practice to earmark Reserves at the earliest opportunity in order to ensure that anticipated future commitments can be financially planned for.
9. Changes in Earmarked Reserves has to be agreed by Council

SUMMARY OF KEY POINTS:

10. Further increases in Earmarked Reserves provision was identified as part of the 2020/21 budget setting process.

POLICY IMPLICATIONS:

11. Reserves and Treasury Management.

DETAILS OF CONSULTATION:

12. None

SUPPORTING PAPERS:

- None

FURTHER INFORMATION, PLEASE CONTACT: Colin Hill