

All minutes are draft until ratified by the Committee at the next meeting

**Marchwood Parish Council**

Minutes of the extra-ordinary meeting of the Policy & Resources Committee held at Marchwood Village Hall on Monday 19<sup>th</sup> November 2018 at 7.35pm.

Councillors: Mr D Hindle (Chairman) – in the Chair (P)

Mrs A Hoare (P)

Mr D Makinson (P)

Mr K Petty (P)

Mr M Saxby (A)

Mr R Young (P)

(P) Present (A) Absent

In attendance: Mr B Gibbs - Clerk to the Council

Mr S Daly – Responsible Financial Officer (RFO)

**Apologies**

1. Apologise for absence were received from Cllr Saxby.

**Public Participation**

2. There were no members of the public present.

**Declarations of Interest**

3. No declarations of interest were made.

**Chairman's Report**

4. The Chairman thanked the officers for the reports that they had produced for this very important meeting.

**Minutes of the previous meeting**

5. **RESOLVED:** To confirm the minutes of the meeting held on 19<sup>th</sup> November 2018 as a true record.

**A review of the Parish Council's Ear Marked Reserves**

- 6 The Clerk began the discussion by explaining that in December 2018 the Parish Council had requested a review of its Earmarked Reserves (EMRs). There were several reasons for this.
  - Was it still appropriate to retain some of the reserves in this way?
  - Could some EMRs be consolidated into a single EMR with a renewed purpose?
  - Could some EMRs be returned to the general reserve?

The Clerk said that the Internal Auditor had commented about the purpose of some of the EMRs. She felt that it was no longer appropriate for several of the EMRs to be held in this way.

She had advised the Parish Council that the money should either be allocated to a different EMR or be returned to the general reserve.

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Cllr Petty asked if the Internal Auditor had made any recommendations regarding the level of General Reserve to be held. The RFO commented that the figure should be not less than six months budgeted operating expenditure.

This roughly equalled £124,000 based on the 2019-20 budget.

The RFO then introduced two reports for discussion. The first document showed the total number of individual EMRs (34) with a description of each EMRs purpose, the total contained within each EMR and the cap allocated to each EMR (if indeed there was a cap).

The second document showed the current level of reserves in total held by the Parish Council including the general reserve, statutory reserves and the earmarked reserves themselves.

This document also showed the 2019-20 budget and the current level of investments.

He continued his report by saying he had conducted an analysis of each of the 34 EMRs and had identified those that he felt needed to continue, those that could be re-allocated and those that could be returned to the general reserve.

The Chair felt it appropriate to go through each EMR on a line by line basis so that decisions could be made at this meeting.

The EMR codes are in the number range 321 to 369 with some gaps in between.

The RFO said it was important to hear about the level of all reserves held by the Parish Council prior to the line by line analysis. The totals were those identified as being held by the Parish Council as at 31<sup>st</sup> January 2019.

- The total of all reserves was £321,712.
- There is a long term investment of £50,000 that does not sit within the chart of accounts but that is included in the all reserves total.
- The general reserve totalled £101,200.
- There is a statutory reserve of £16,462 held. This consists of a developer contribution figure of £15,989.03 and £472.16 from the Community Infrastructure Levy.
- There was a total of £154,050 of Earmarked Reserves.
- The total budgeted expenditure for 2019-20 was £248,350.
- The recommended figure to be retained as a general reserve based on the total above was £124,175.
- There were four investment funds held by the Parish Council that came to a total of £225,559.
- It should be remembered that this figure is incorporated into the total of all reserves figure of £321,712 and is not a separate amount.
- The forecasted general reserve at the 31<sup>st</sup> March 2019 would total £161,241 and would be £37,006 above the optimum general reserve.

The line by line analysis then commenced.

EMR 321 Grants. It was agreed to transfer £1,574 to the general reserve. In future years the budget for grants should be disposed of within the financial year it is allocated.

EMR 323 Elections. It was agreed to retain this EMR (£4,388) until after the May 2019 election.

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EMR 324 Contingencies. It was agreed to transfer this EMR (£4,893.48) to the general reserve.

EMR 326 the Bridge at Oaklands. It was agreed to retain this EMR (£7,750) in order to meet the anticipated costs of repairs to this structure. It was noted that the cap for this EMR would remain at £30,000 with some additional funding being added to it over time.

EMR 331 Play Area Maintenance. It was agreed to incorporate this EMR (£9,325) into EMR 358 Play Area Development (Lloyd Rec).

EMR 332 Lloyd Rec General. It was agreed to transfer this EMR (£356) to the general reserve.

EMR 333 Waterside Community Rail Partnership. It was agreed to transfer this EMR (£200) to the general reserve.

EMR 335 War Memorial. It was confirmed that his EMR (£559) was solely for the maintenance of the Falklands War Memorial and not the War Memorial within the Churchyard and the name should reflect this from now on. It was decided to retain this EMR.

EMR 336. It was agreed to retain this EMR (£2,827.22) for capital expenditure referring to the Parish Office's IT infrastructure.

EMR 337. It is not appropriate to retain this EMR (£3,269) and it should be transferred to the general reserve.

EMR 338 Public Relations. It was agreed to retain this EMR (£2,519.22) in order to help meet the costs of future events.

EMR 340 Developer Contribution Reserve. It was agreed to retain this EMR (£15,989.03).

EMR 341 Staffing Reserve. It was agreed to transfer this EMR (£31,243.03) to the general reserve.

EMR 342 Asset Replacement Reserve. It was agreed to retain this EMR (£15,800.30).

EMR 343 Open Space Maintenance. It was agreed to retain this EMR (£1761.33).

EMR 344 Public Seating. It was agreed to retain this EMR (£985).

EMR 345 Dog Bins. It was agreed to retain this EMR (£547).

EMR 347 Litter Bins. It was agreed to retain this EMR (£500).

EMR 348 Notice boards/Signs. It was agreed to retain this EMR (£1,359.46).

EMR 349 Good Citizenship Project. It was agreed to transfer this EMR (£1,000) to the general reserve.

EMR 351 Pavilion Lloyd Rec. It was agreed to retain this EMR (£6,835).

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EMR 355 Courts Lloyd Rec. It was agreed to merge this EMR (£1,920) with EMR 360 Lloyd Rec Ground Trust (£8,854.45) to make a new EMR 355 Lloyd Rec Sporting Infrastructure (10,744.45).

EMR 357 Marchwood Youth Project. This EMR was closed down having a nil balance.

EMR 359 Play Area Maintenance (Lloyd Rec). This EMR was closed down having a nil balance.

EMR 361 Solar Farm Grant. It was agreed to retain this EMR (£15,000) but consideration should be made to quickly identify a suitable community project.

EMR 362 Under 12 Play Area. It was agreed to retain this EMR (£11,467).

EMR 363 Over 12 Play Area. It was agreed to retain this EMR (£1,262).

EMR 364 Skate Park. It was agreed to retain this EMR (£9,913).

EMR 365 Admiralty Quay Play Area. It was agreed to retain this EMR (£865).

EMR 367 Tree Planting & Maintenance. It was agreed to retain this EMR (£5,150).

EMR 368 CCLA Property Dividends. It was agreed to transfer this EMR (£1,916.16) to the general reserve and close down this EMR.

EMR 369 CIL Receipts. It was agreed to transfer this EMR (£472.56) to the general reserve.

The Clerk then reported that a total of £12,681.20 had been transferred to the general reserve and that several EMRs had been closed down.

There being no further business the meeting closed at 8.55pm.