

Wem Town Council Earmarked Reserves 2021-2022

The purpose of earmarked reserves are:-

- To prevent an uneven impact on the precept, by allowing reserves to be set aside for specific projects and contingencies.
- To set aside amounts for projects that extend beyond one year.

It is the responsibility of the Responsible Financial Officer in consultation with the Town Council to ensure reserves are spent in line with their purpose. The most commonly established earmarked reserves and the rationale behind why such reserves are created are as follows:-

Category of Earmarked Reserve	Rationale
Sum set aside for major schemes, such as building projects, asset purchases etc.	Where expenditure is planned in future accounting periods, it is prudent to build up reserves in advance.

Each earmarked reserve held by Wem Town Council identify:-

- The purpose of the reserve
- How and when the reserve can be used
- A process and timescale for review of the reserve to ensure continuing relevance and adequacy. Currently the reserves are reviewed annually and the purpose .

The Town Council's Reserves Policy states that earmarked reserves are reviewed annually and the purpose of this report is to undertake that review and recommend future earmarking of reserves.

Earmarked Reserves	Amount 31.5.21	Purpose	2021-22 Recommendation
Bulmer Cottage Reserve Fund	£44703	From sale of Bulmer Cottage for Expenditure on Recreation Ground/ Swimming Pool/ Butler Sports Centre. £32535 spent in 2020 for pipework replacement. £30,000 allocated for WSSA demolition	Maintain
Developers Contributions Account	£35082	Provision of play equipment funds from development £65,000 contribution in 2019 from Wilmott Meadow POS– expenditure in 2020 £32400 for new tractor	Maintain
Transformation Approved 27.4.17	£23000	Asset upgrades	Allocate £10,000 from underspend in 2020-21 budget for this code new balance £33,000
Streetlighting	£21480	Column replacement	Maintain - to be used in column replacement programme

Remaining allocation from £60,000 LED conversion approved 27.4.17			
Neighbourhood fund	£24,882	2021 allocation of £ added	A&S committee meeting 10.12.19 recommendation that 2020-21 Neighbourhood Fund allocation be earmarked for upgrading play equipment on the Recreation Ground recommendation approved at Full Council on 12.12.19.
Elections	£5024	Election costs maintain cost of 1 election per ward approx. £5152 (2017 cost)	Maintain for future elections
Pensions	£8846	Future pension increases	Maintain
Highways	£1886	Temporary traffic system Signage contribution	Consider removal or reallocation
Cemetery Extension	£8000	Extension of cemetery	Maintain
Christmas Lights Approved 24.9.20	£1212	Hire of fixed lighting	Maintain
Heads up Project	£9000	Mental Health Project	Add £3000 from 2020-21 Youth Projects underspend New balance £12,000
Public Toilets 24.9.21	£10,000	Covid rates grant	Recommended that balance be reduced by £5000 and £5000 be reallocated to Recreation Ground Toilets where it will be earmarked in reserves for future renovation/ demolition costs New balance £5000
Small Grants	£0	Underspend from Grants / Town promotion cost center	Spent (allocation agreed 27.5.21)
Total	£193116		

New allocations for Consideration

Recreation Ground Toilets			Recommend that 2020/21 underspend of £4700 is earmarked for future renovation/ demolition costs New balance £4700+£5000 from funds transfer (if approved)
Recruitment and office move 26.11.20			Earmark £5000 from 2020-21 staffing underspend for office move and recruitment costs as per resolution on 26.11.20 New Balance £5000

Lamp post poppies 26.11.20			Earmark £300 as approved 26.11.20 New Balance £300
Play equipment underspend – slide replacement 17.12.20			Earmark £5400 from underspend play equipment and maintenance for slide or equivalent replacement as per resolution on 17.12.20 (following amenities committee recommendation 8.12.20) New Balance £5400
Skate park			Earmark £2000 underspend New balance £2000

Recommendation reserves for earmarking 2021-22

Item	Amount
Transformation Budget	£10,000
Recreation Ground Toilets	£4700
Heads Up Project	£3000
Office move and recruitment	£5000
Poppies	£300
Slide replacement	£5400
Skate park	£2000
Total new earmarking	£30,400