

Overseal Parish Council - Reserves Policy

1. Parish councils are recommended to maintain a General Reserve of between 3- and 12-months' precept value. As a small Council, Overseal should maintain towards the upper level of this. The Overseal General Reserve has therefore been set at £30,000. This can be considered as a contingency fund.
2. Ear-marked reserves can be built up and maintained for expenditures that are required to enable the Council to achieve its objectives – "Serving the People of Overseal". General day-to-day running costs should not be funded from reserves.
3. Overseal Parish Council has the potential to ear-mark reserves of up to c£64,000.
4. Reserves are ear-marked in the same categories as the budget, as shown below:
 - Land
 - Recreation
 - Pavilion
 - Village Hall
 - Public Toilets
 - Grounds Maintenance
 - Environment
5. Whilst most of these headings will include some day-to-day expenditure, there is a need to keep reserves for significant one-off expenditures. However, it is considered that other budget categories such as Administration and Staffing will all be running costs and should not have ear-marked reserves. Any unanticipated expenditure in these areas would be covered by the General Reserve.
6. Reserves should be identified in the context of a simple business case. This would outline what the activity is intended to deliver and what is required to achieve it, perhaps looking at several options if they are available.
7. OPC needs to ensure that its budget is sufficient to cover all foreseen expenditure, prior to identifying activities requiring reserves.
8. OPC will specify its ear-marked reserves in the light of its objectives and business plan to achieve them.

Current reserves are as follows:

Item	Opening balance	Expenditure	Closing balance
Land	£5,000		
Pavilion	£5,000		
Village hall	£115,736.66		
Public toilets	£1,000		
Grounds maintenance	£0		
Environmental	£7,460.00		
Recreation	£0		
Total	£134,196.66		

May 2024

The Parish Council will review its Reserves Policy at least on an annual basis.