

## ELDON PARISH COUNCIL

31st May 2018

### RESERVES AND EARMARKED EXPENDITURE

Members will recall that at the Parish Council meeting on 26<sup>th</sup> September 2017 the Council considered a report of the external auditor about the level of reserves. Although the Council had already identified a number of areas for future investment as earmarked expenditure, the auditor considered that the remaining unallocated reserves were still too high. At that meeting a number of areas for expenditure were considered linked to the Parish Plan.

The current earmarked reserves are as follows:

Dog Fouling (Parish Council provided bins)	£1,000
Litter/overgrown areas/flower tubs (community scheme)	£1,000
Flower tubs (8 tubs plus planting and 5 years maintenance costs of £400 per annum)	£3,200
Fencing and environmental works (rights of way stiles etc.) on land registered to Parish Council.	£1,500
Support for recreational activities at Community Centre (Equipment/licences for possible film club; evening classes, improvements to community centre, volunteer recruitment and support).	£5,000
Replacement and securing of vandalised or at risk street furniture.	£3,000
Floodlighting of multi-use games area (contribution towards grant funded works).	£3,000
Grant towards Darlington and Stockton Railway Development	£1,000
Feasibility of Housing Development in Eldon - Consultancy	£2,000
<b>Total</b>	<b>£20,700</b>

It appears unlikely that floodlighting of the MUGA will take place, so the above sum needs to be reduced by £3,000 to £17,700. The level of reserves at year ending 31<sup>st</sup> March 2018

was just over £44,000, a reduction of £2,000 from the previous year. Additionally for 2017-18 the Parish Council precept has not risen. The new external auditors Mazars take the view that in smaller Councils, it may be necessary to keep higher reserves for "a rainy day." They suggest a maximum of the precept plus 15% to hold as unallocated reserves.

At the meetings in September and November a number of possible areas for expenditure were considered. At the March 2018 meeting of the Council, a discussion was held with a representative of West Durham Housing Trust about the feasibility of new housing development in Eldon. A number of options are available including the Trust acting on behalf of the Council to develop proposals and negotiate with potential developers, or to carry out the development themselves. It is suggested that to kick start this process and potentially bring it to fruition, the figure previously identified solely for consultancy should be increased from £2,000 to £7,000. It was also considered there may be opportunities to support the Community Centre with a contribution towards energy saving measures.

In line with the September/November discussions an approach has also been made to the County Council about a Parish Council contribution towards refurbishment of the Children's Playground. This would either consist of re-painting and refurbishment of existing equipment, or replacement of some equipment. It is suggested that £5,000 should be earmarked for this (also to include repairs/replacement of nearby seating). In the past the Parish Council has provided funding towards children's activities such as multi-sports provision in Eldon, particularly during school holidays. In recent years some provision has been funded by the County Council, but as the Council continues to suffer financial rigour these services are being withdrawn. It is suggested that £2,500 should be allocated for holiday provision over the next five years at the sum of £500 per year.

The current earmarked reserves include a small sum of £1,000 towards Darlington and Stockton Railway Bicentenary celebrations. There may be opportunities for grants towards more substantial works or events in Eldon Parish and it is suggested that this sum should be increased to £3,000. Finally, the Parish Council's land ownership will now carry with it a requirement for ongoing maintenance including annual hedge cutting and strimming/clearing public rights of way across its land. This is likely to cost in the order of £400 per annum and it is suggested that £2,000 be earmarked for 5 years of works.

If the above suggestions are agreed the earmarked reserves would be as follows:

Dog Fouling (Parish Council provided bins)	£1,000
Litter/overgrown areas/flower tubs (community scheme)	£1,000
Flower tubs (8 tubs plus planting and 5 years maintenance costs of £400 per annum)	£3,200
Fencing and environmental works (rights of way stiles etc.) on land registered to Parish Council.	£1,500

Support for recreational activities at Community Centre and for possible energy saving measures.	£8,000
Replacement and securing of vandalised or at risk street furniture.	£3,000
Grant towards Darlington and Stockton Railway Development	£3,000
Housing Development in Eldon – Consultancy to planning	£7,000
Contribution towards children's playground refurbishment	£5,000
Hedge cutting/footpath maintenance on Parish Council land 5 years at £400 per year	£2,000
<b>Total</b>	<b>£34,700</b>

The above would leave just over £9,000 in unallocated reserves.

The Council is **RECOMMENDED** to consider the above proposals and to set aside the sums for the purposes indicated.

Tom Bolton  
Clerk to the Council