

## **WHIMPLE PARISH COUNCIL**

### **Breakdown of reserves as at 31 March 2025**

As at 31 March 2025, the total reserves balance is £74,695.51. This is split between:

- Current Account = £39,146.43
- Savings Account = £35,549.08 (for playground project)

**Total = £74,695.51** (matches box 8 on 2024/25 AGAR Return)

£500 needs to be deducted from this balance as the Council agreed to use this amount from general reserves to cover setting a balanced budget for 2025/2026.

**Total available reserves as at 31 March 2025 = £74,195.51**

The reserves are currently split between general reserves and earmarked reserves as follows:

- Earmarked reserves = £7,493.60
- General reserves = £66,701.91

#### Current balances in Earmarked reserves (EMR)

As at 31 March 2025, the current amounts are in earmarked reserves:

- P3 (footpaths) = £351.10
- Neighbourhood Plan = £198.50
- Elections = £1,100
- Lomas Seat = £1,000
- Community Infrastructure Levy (CIL) = £4,844

**Total EMR = £7,493.60**

#### Analysis of the reserves

##### General Reserves

£66,701.91 is a lot of money to hold in general reserves, especially given that the Council is looking to complete a number of projects with this money.

Therefore, it is recommended that money is moved from the general reserve and into earmarked reserves for specific projects.

The report will now analyse each of the existing earmarked reserves and:

- Review if they are still appropriate;
- Consider whether any new earmarked reserves should be set up; and
- Consider whether any money from general reserves should be added to the existing or new earmarked reserves

## Earmarked reserves (EMR)

### **P3 EMR**

Money has been sat in the P3 EMR for at least two years, without being spent. The purpose of this money is to assist with the costs of maintenance of these areas. It is recommended that the name of this EMR is changed to Village Maintenance.

It is also recommended that £4,648.90 is moved into this EMR from general reserves, to make a total of £5,000.

The village maintenance works are those which sit outside of the grounds maintenance contract (the costs of which are included in the budget).

### **Neighbourhood Plan EMR**

The current balance of the Neighbourhood Plan EMR is £198.50.

The Council approved that additional works be completed in order to make the Whimple Neighbourhood Plan more robust before going through the approvals process.

Applications have been submitted to cover the costs of the additional work but to date, no response has been received as to whether the applications have been successful.

Therefore, it is recommended that £7,301.50 is moved into this EMR from general reserves, to make a total of £7,500.

### **Elections EMR**

In terms of the EMR for elections, it is recommended that this is kept as it is. The sum is set aside for costs resulting from a Parish Council by-election before the next round of Town and Parish Council elections, which take place in May 2027. It is also suggested that this amount is topped up (when funds are available) over the next two years, as the cost of the election is anticipated to exceed £1,100. This is to be revisited in April 2026 at the end of the 2025/2026 financial year.

### **Lomas Seat EMR**

The Lomas Seat project is nearing conclusion. Currently, it is anticipated that the costs of the repairs will total to £500. Once the final costs have been confirmed, it is recommended that any money left in the EMR is moved into general reserves.

### **CIL EMR**

Money has been set aside in the Council's savings account for the play area project, however only £4,844 has been allocated to an EMR. It is recommended that the name of this EMR is changed to Play Area Project. It is recommended that this EMR is topped up to match the balance in the savings account.

It is also recommended that £30,705.08 is moved into this EMR from general reserves, to make a total of £35,549.08 (which matches the amount in the savings account).

East Devon District Council (EDDC) have confirmed that they are holding £17,944.00 of Section 106 monies which the Parish Council must use for the Play Area Project. This then gives a total of £53,493.08 for this project. This money will cover the play equipment and any other costs coming forward from the play equipment suppliers, plus the large amount of VAT that will be incurred (and won't be reclaimed until the end of the financial year).

### **Locality Budget EMR**

Devon County Councillor Iain Chubb allocated the Council £500 from his locality budget to be spend on removing the weeds from the river in the Square. It is recommended that a new EMR is set up called Locality Budget and that £500 is moved from general reserves into this EMR.

### **Town Lane Project**

Following public feedback that the best location for the play area is in the Parish Field rather than at the Town Lane site, it is recommended that a new EMR is set up for the Town Lane project. There is overwhelming support from members of the public to turn this space into a community/mindfulness garden. It is recommended that £7,000 is moved from general reserves into this new EMR.

EDDC have confirmed that Whimble Parish Council will received £886.08 of CIL monies on 28 April 2025. It is recommended that this amount is added to the Town Lane Project EMR when it is received making the total £7,886.08.

### **New split of Reserves (if all recommendations are adopted)**

The total split of reserves, if the recommendations in this report are adopted, would be:

General Reserves = £16,546.43  
Earmarked Reserves = £57,649.08  
**Total reserves = £74,195.51**

The earmarked Reserves would be as follows:

Village maintenance = £5,000.00  
Neighbourhood Plan = £7,500.00  
Elections = £1,100  
Lomas Seat = £1,000  
Play Area Project = £35,549.08  
Locality Budget = £500.00  
Town Lane Project = £7,000.00  
**Total in EMR's = £57,649.08**

### **Recommendations:**

It is **RECOMMENDED** that Whimble Parish Council:

1. Approve the Reserves Policy attached as Appendix A

2. Change the name of the P3 EMR to Village Maintenance EMR
3. Move £4,648.90 from general reserves into the Village Maintenance EMR, making it £5,000 in total.
4. Move £7,301.50 from general reserves into the Neighbourhood Plan EMR to cover the additional work on the Plan.
5. Keep the Elections EMR at the level of £1,100
6. Keep the Lomas Seat EMR at the level of £1,000, with the caveat that this is to cover the repair works currently in progress and that any money left will be moved back into the general reserve.
7. Change the name of the CIL EMR to Play Area Project EMR
8. Move £30,705.08 from general reserves into the Play Area Project EMR, making it £35,549.08 in total.
9. Set up a new EMR called Locality Budget.
10. Move £500 from general reserves into the Locality Budget EMR.
11. Set up a new EMR called Town Lane Project.
12. Move £7,000 from general reserves into the new Town Lane Project EMR.
13. Approve that the £886.08 CIL received from EDDC on 28 April 2025 is added to the Town Lane Project EMR.