

# Taunton Deane Borough Council

**Executive – 13 October 2010**

## **General Fund Earmarked Reserves Review**

### **Report of the Strategic Finance Officer**

(This matter is the responsibility of the Leader of the Council, Councillor John Williams)

#### **1. Executive Summary**

- 1.1 The Earmarked Reserves have been reviewed to ensure that they are still required.
- 1.2 £62,028.55 of earmarked reserves are no longer required to be held and it is recommended that these are transferred to the General Fund Revenue Account.

#### **2. Background**

- 2.1 Taunton Deane Borough Council holds a number of earmarked reserves for various purposes. The S151 Officer has a responsibility to ensure that the level of earmarked reserves is reviewed each year.

#### **3. Review of the Reserves**

- 3.1 The level of earmarked General Fund reserves as at 31 March 2010 was £8.827m. This includes money set aside for a variety of specific revenue purposes. This does not include £1.564m in General Fund balances.
- 3.2 The Acting S151 Officer has reviewed the earmarked reserves to ensure that the level of each reserve is adequate and that the purpose for which the funds were set aside still applies. Any reserves which are not deemed necessary should be transferred back to the General Fund Revenue Account (or HRA depending on the original source of the funding). Under financial regulations this is classed as a virement and therefore requires Executive approval.
- 3.3 Each reserve has been reviewed and there are various reserves, totalling £62,028.55 that are no longer required. These all relate to the

General Fund, and are detailed as follows:-

<b>Earmarked Reserve</b>	<b>£</b>	<b>Reason</b>
Agricultural Officer	10,260.00	Agricultural Officer has now gone.
Bi Annual Design Awards	1,500.00	No request has been received to retain this reserve
CCTV	13,000.00	Can be taken this year as this part of the reserve is no longer required
DCMS Scrutiny Grant	1,000.00	No longer required.
EH Seminars General Provisions	5,137.88	Part can be taken this year
Environmental Services Staffing	5,830.42	£15,000 needed in 2010/11 the rest can be written back
Exmoor Project	9,385.00	No request has been received to retain this reserve and unsure of its use.
Food Hygiene General Provisions	3,375.51	Can be taken this year
Pickwick Licence Upgrade Electoral Registration	1,100.00	Can be written back to general reserves - no longer needed
Street Scene	3,526.42	
Vivary Park Concert General Reserves	7,913.32	Not used for 2 years. No response on its use.
<b>TOTAL</b>	<b>62,028.55</b>	

- 3.4 As part of the budget setting process for 2011/2012 the remaining earmarked reserves will be challenged. The result of this challenge will be reported in November as part of the budget setting report.
- 3.5 During Corporate Scrutiny a question was asked about the return of the CCTV reserve, as the unparished area had been asked to pay for a CCTV in the past. The purpose of this reserve was to cover the cost of transferring the CCTV service to Sedgemoor District Council and not for the purchase of CCTVs. It cannot therefore be used to purchase CCTVs. The work for which the original reserve was set up has been completed. The £13,000 is the balance after paying the last invoice to Sedgemoor District Council.

#### **4. Finance Comments**

4.1 This is a finance report and there are no further comments to be made.

## **5. Legal Comments**

5.1 There are no legal implications in this report.

## **6. Links to Corporate Aims**

6.1 Many of the reserves aid the provision of the Corporate Aims

## **7. Environmental and Community Safety Implications**

7.1 Some of the reserves aid the provision of environmental and community safety.

## **8. Equalities Impact**

8.1 There are no equalities impacts

## **9. Risk Management**

9.1 There is a risk that some of the reserves returned to the General Fund are required. This risk has been mitigated by a request from finance for information on the use of the reserves and follow up questions by the then Acting S151 Officer. The risk is low.

## **10. Partnership Implications**

10.1 There are no partnership implications

## **11. Recommendations**

11.1 That the Executive recommends to Council the transfer of £62,028.55 of surplus earmarked reserves to the General Fund Revenue Account in 2010/2011 financial year.

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