

Ecclesfield Parish Council
Financial Strategy - 3 to 5 Year Plan

1: INTRODUCTION

As well as managing "operational" budgets on a year to year basis, the Parish Council also manages its sustainable long term future. This document explains how this would be achieved.

2: EAR MARKED RESERVES (EMR)

Ecclesfield Parish Council has established a number of Earmarked Reserves (EMR's) to allow for future expenditure commitments.

The Parish Council approval is required for any expenditure from the EMR.

At the annual Budget Setting Meeting, the Parish Council decides the values to be allocated from forthcoming years operational expenditure into each EMR. The Parish Council also considers whether any unallocated balances (eg at financial year end) should be re-allocated to some / all of the EMR's. The values of the EMR's (together with income and expenditure) are reported to each Finance & Premises Committee meeting and then to Full Council.

The purpose and operation of each of the EMR's is detailed below.

EMR	Current Balance	Top up 2020/21	Total 2020/21	Live/Historic
Election Costs	£10,019.15	£5,000	£20,000	Live
Community Liaison Function	£4,000	N/A		Historic
Archive Project	£7,205	8,000	£8,000	Historic and Live
Thornccliffe Leisure Centre Grant Agreement (24 year agreement)	£17,000	£17,000	£17,000	Historic
New EMR 2020/21				
	2020/21 Contribution	Annual Top Up	Comments	
Community Room Refurbishment/Repair	£20,000	To be taken from the Scottish Widows Account	Funds to provide refurbishment to the room used by local groups on a regular basis	
Chapel Green Advice Centre	£9,000	£9,000	Council agreed to pay for the rent of the building on behalf of the Advice Centre for a period of 4 years commencing 2019/20	
Contingency	£10,000	£10,000	Funds for those items not considered	
Disabled Access to Office	£10,000	N/A	To provide access to the first floor of the office which currently is only accessed by stairs	
Parish Survey	£10,000			
NP consultation	£20,000		Neighbourhood Plan	

2:1 DAVID CHADWICK FUND

A sum of £14,459 plus £25,541 which totals £40,000 would be Ear Marked for the David Chadwick Fund to be spent in High Green and Thorncliffe Wards for the benefit of those local residents.

2:2 EMR - DONATIONS

The Parish Council have agreed to allocate the following EMR donations for a period of 4 years commencing 2019/20:

Royal British Legion Remembrance Donation	£250.00
Primary Schools Christmas Donation (per school that applies via the grant awarding process of the Council) x 10 schools	£350.00
In Bloom Groups (for Christmas trees and lights) x 5 Bloom Groups	£150.00
War Memorial Fund	£100.00
Defib at One Stop (donation by Chairman 2017/18)	£348.50

3: CAPITAL FUNDS

The Parish Council has money (savings) in the Scottish Widows Bank Account and there are also funds in a Cooperative Bank Savings Account.

The Parish Council will look at the money within these accounts and set out what they will be used for in the coming 3 . 5 years. These will be Ear Marked for a specific purpose and future expenditure commitments.

Purpose:

To enable the purchase of NEW capital assets (eg buildings or land) as and when an opportunity arises that the Parish Council wishes to pursue. This fund is also (occasionally) used for the purchase of small assets (eg photocopier, IT Equipment) but this is not the primary purpose of this fund.

4: INVESTMENT STRATEGY

The Parish Council would consider ethical investments in the future to ensure the Parish Council do not invest in organisations that are involved in arms dealing and deforestation and other unethical ventures.

The Parish Council recognises its duty to the Council Tax payers of Ecclesfield Parish to use their money wisely. Therefore, the Parish Council seeks to maximise the interest / return on the money it holds on behalf of the local residents, without incurring inappropriate risks. This will enable the value of the money held to increase, thereby decreasing the impact on future precepts.

The value of the EMR is agreed by Full Council for short and long term use and the funds within the EMR may be allocated as follows:

- a) Longer Term Investments which are likely to result in a higher rate of return (including dividends) over an extended timeframe (eg 5-years or more). This may include investments in suitable approved property funds such as CCLA Property Fund.
- b) Twelve-Month Maturity Fixed Rate Investments, which are likely to yield less than the longer term investments, but more than shorter term investments.
- c) Six-Month Maturity Fixed Rate Investments, which are likely to yield less than twelve month investments, but more than a current account.
- d) A current account for normal day-to-day running of Ecclesfield Parish Council.
- e) The values invested and the type of investments will be reviewed before the maturity of each fixed term investment and at least every year.
- f) The Parish Council would reduce the risk on the Council's funds by splitting the investments between several different banks/investment opportunities.

Approved by Council 6.2.2020

Review date February 2021