



Tadley Town Council  
2 Franklin Avenue  
TADLEY  
Hampshire  
RG26 4ET

Tel: 0118 9813360  
Email: [clerk@tadleytowncouncil.gov.uk](mailto:clerk@tadleytowncouncil.gov.uk)  
Website: [www.tadleytowncouncil.gov.uk](http://www.tadleytowncouncil.gov.uk)

1 June 2020

You are summoned to attend a meeting of Full **Council** as detailed below:

*Nicki Barry*, Clerk

DATE, TIME AND LOCATION: **8 June 2020 at 7.30pm Zoom Meeting**

<https://zoom.us/j/99952283247?pwd=RjNTak5tNTBrK0xHWHRjTWZSVjB0UT09>

MEMBERS: Cllrs: Atkinson, Bower, Burdett, Charlick, Flahive, Flake, Hankinson, Knight, Leeks, Lovegrove, Leliveld, Mullan, Page, Slimin and Spence

## **AGENDA**

### **1. APOLOGIES**

### **2. DECLARATIONS OF INTEREST & DISPENSATION REQUESTS**

Arising from this Agenda, Members and Officers are invited to declare any relevant interests. Notwithstanding this item, Members may subsequently declare an interest at any point during the meeting. To receive any applications made by Members for a dispensation to allow them to speak and vote on an agenda item in spite of a disclosable pecuniary interest.

### **3. MINUTES**

To receive and confirm the accuracy of the minutes of Full Council held on 2 March 2020, the contents of which will be taken as correct unless there is a specific resolution otherwise. **Pages 2-5**

### **4. OPEN FORUM**

The meeting will recess for not more than 15 minutes for questions and comments from members of the public.

### **5. ACCOUNTS**

To receive and sign a statement of receipts & payments for the month of March, April and May 2020. (Previously circulated by email)

To acknowledge responsibility for the preparation of the accounts and to approve the Annual Governance Statement in Section 1. **Page 6**

To approve the Accounting Statements in Section 2 of the Annual Return. **Page 7**

To approve the 2018/19 Accounts. **Pages 8-11**

To receive the Internal Auditor's report and subsequent proposed action plan. **Page 12**

### **6. BISHOPSWOOD STREAM**

To receive a quotation for flood prevention maintenance.

### **7. GOOD CITIZEN AWARD**

To receive three nominations.

*Any member of the public who wishes to join the meeting should apply to the Clerk of the Council for the meeting ID and password.*

## **MINUTES OF A MEETING OF TADLEY TOWN COUNCIL HELD IN THE TOWN COUNCIL OFFICES, FRANKLIN AVENUE, TADLEY AT 7.30PM ON 2 MARCH 2020**

**Present:** Cllrs Atkinson, Bower, Burdett (Chairman), Charlick, Flahive, Flake, Hankinson, Knight, Leeks, Leliveld, Lovegrove, Mullan, Slimin, Spence and Tighe.

**In Attendance:** Clerk, Borough Cllrs Bound, Carruthers, Rhatigan and Vaux, 32 members of the public.

A minutes silence was held for former Councillor Mike Broad who had passed recently.

### **1. APOLOGIES**

Received and accepted from Cllr Page and County Cllr Mellor.

### **2. DECLARATIONS OF INTEREST & DISPENSATION REQUESTS**

Cllr Lovegrove declared an interest in the grant application from Tadley Elderly Day Care, Cllr Flahive declared an interest in the grant application from Tadley Band, Cllrs Atkinson and Flahive declared an interest in the grant application from Tadley & District Community Association, Cllr Slimin declared an interest in the grant application from Citizen Advice Tadley, Cllrs Flahive and Slimin declared an interest in the grant application from Barlows Park Management Association and Cllr Leliveld declared an interest in the grant application from Seeability.

### **3. MINUTES**

**70/20FC** It was

**RESOLVED (15/0/0)** to receive and confirm the accuracy of the minutes of the meeting held 6 January 2020.

### **4. OPEN FORUM 7.36PM – 8.06PM**

Stephen Keel from Vivid Homes spoke about the potential development (up to 80 properties) of land in the north east corner of the golf course, which may require access across an area of land owned by Tadley Town Council in Deanswood Road. Borough Cllr Rhatigan spoke about the need for social housing in the Basingstoke & Deane Borough Council area. Cllr Slimin referred to the officers report in Appendix 5 of the Strategic Housing and Economic Land Availability Assessment  
<https://www.basingstoke.gov.uk/content/page/61937/Appendix%205%20Sites%20outside%20SPBs.pdf>

Residents raised the following concerns: Deanswood Road and Huntsmoor Road are not designed to accommodate in excess of 448 additional vehicle movements a day. Concerns were raised regarding the level of noise this traffic would cause. Basingstoke & Deane Borough Council had relatively recently carried out a parking improvement scheme in Deanswood Road and this would be lost if access was to be granted. The footpath that runs from Southdown Road to Whitedown Road is an important walking route that is currently safe for children on foot and bike, it would be detrimental to lose this. Children would lose their current ability to play in the cul de sac. Concerns were also raised regarding drainage, there is an emerging spring on the development site and sewerage drains also cross the site. There is a history of raw sewerage flooding in the Whitedown Road area. The site is outside the Settlement Policy Boundary and is also part of the Strategic Gap between Tadley and Baughurst. Everyone agreed there is a need for social housing in Tadley, however it was felt this need should be met elsewhere.

Cllr Slimin and members of Tadley Calleva Football Club spoke about their support for the Barlows Park Management Association grant application and emphasised how dependent they are on this.

## **5. CHAIRMAN AND VICE-CHAIRMAN'S REPORTS**

Chairman – On 13th February had the great pleasure to act as a judge in the Tadley Primary School's 'Tadley has Talent' event. This involved pupils from age 4 singing, dancing and being magicians in front of three judges and many parents.

Vice Chairman – No report.

## **6. ACCOUNTS**

**71/20FC** It was

**RESOLVED (15/0/0)** to receive and sign a statement of receipts and payments for the months of January and February 2020.

## **7. STANDING ORDERS, POLICY DOCUMENT, FINANCIAL REGULATIONS, REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT, FINANCIAL RISK MANAGEMENT RECORD AND COMMUNITY EMERGENCY PLAN**

The report of the Documents Working Party was received, and the above documents were reviewed.

**72/20FC** It was

**RESOLVED (15/0/0)** to make changes to the documents as attached.

## **8. EARMARKED RESERVES**

Earmarked reserves were reviewed.

**73/20FC** It was

**RESOLVED (15/0/0)** to accept the review as attached.

## **9. COMMITTEES**

**74/20FC** It was

**RESOLVED (15/0/0)** to receive and approve the reports of the Highways and Planning Committee held on 27 January and 24 February 2020.

Cllr Slimin did not vote on the following.

**75/20FC** It was

**RESOLVED (14/0/1)** to accept the recommendation **29/20FGP** to award a grant of £4500 to Tadley Citizen Advice for their mental health project

**76/20FC** It was

**RESOLVED (15/0/0)** to accept the recommendation **30/20FGP** to award a grant of £550 to Berkshire Multiple Sclerosis Therapy Centre for running costs

**77/20FC** It was

**RESOLVED (15/0/0)** to accept the recommendation **31/20FGP** to award a grant of £400 to Hampshire & IOW Trust for running costs

Cllr Lovegrove did not vote on the following.

**78/20FC** It was

**RESOLVED (14/0/1)** to accept the recommendation **32/20FGP** to award a grant of £2000 to Tadley Elderly Day Care for running costs

Cllr Leliveld did not vote on the following.

**79/20FC** It was

**RESOLVED (13/0/2)** to accept the recommendation **33/20FGP** to award a grant of £2000 to Seeability for their physiotherapy programme

**80/20FC** It was

**RESOLVED (15/0/0)** to accept the recommendation **34/20FGP** to award a grant of £500 to TADS for storage costs

**81/20FC** It was

**RESOLVED (15/0/0)** to accept the recommendation **35/20FGP** to award a grant of £2500 to Tadley Scout Group for running costs

Cllr Flahive did not vote on the following.

**82/20FC** It was

**RESOLVED (14/0/1)** to accept the recommendation **36/20FGP** to award a grant of £1200 to Tadley Band for new uniforms

Cllr Slimin did not vote on the following.

**83/20FC** It was

**RESOLVED (14/0/1)** to accept the recommendation **37/20FGP** to award a grant of £7870 to Citizen Advice Tadley for running costs (2020/21 budget)

Cllrs Atkinson and Flahive did not vote on the following.

**84/20FC** It was

**RESOLVED (13/0/2)** to accept the recommendation **38/20FGP** to award a grant of £12000 to TDCA for a youth worker (2020/21 budget)

Cllrs Flahive and Slimin did not vote on the following.

**85/20FC** It was

**RESOLVED (10/3/2)** to not accept the recommendation **39/20FGP** and to award a grant of £7500 to Barlows Park Management Association for running costs (2020/21 budget)

**86/19FC** It was

**RESOLVED (15/0/0)** to receive and approve the report of the Finance & General Purposes Committee held on the 10 February 2020.

## **10. REPORTS**

Borough Cllr Bound reported: Attended a meeting on 30 January with Daniel White and Inspector Hannah Luchesa regarding the recent spate of ASB in Tadley. Attended the Budget setting meeting at Basingstoke & Deane Borough Council on 27 February. Of note was £20000 budgeted for the removal of the public toilets in Tadley. The determination of the LIDL planning application has been delayed pending more work on their emergency plan. Met with an engineer from Highways at Hampshire County Council regarding the traffic lights at the junction of Franklin Ave and Aldermaston Road and the lack of a pedestrian crossing. The Manydown planning application is coming forward this month.

Borough Cllr Carruthers reported: Spoke of her support for the LIDL application and encouraged other supporters to attend the West Berks Council planning meeting on 15 April. Attended the Climate Change Emergency Group at the end of January, SERCO are working to reduce their carbon footprint. Basingstoke & Deane Borough Council are looking at installing more Electric Vehicle Charge points. Attended the Budget setting meeting on 27 February. Met with Rev. Harlow the annual Church Fete is to be an Eco Festival this year.

Borough Cllr Leeks reported: The Labour group at Basingstoke & Deane Borough Council have now split and are now an independent group, this has altered some of the Committees make up.

Borough Cllr Lovegrove reported: Attended a Licencing Committee meeting where licencing fees were reviewed. Had attended the meeting on 30 January with Daniel White and Inspector Hannah Luchesa. More clearance work has been carried out on Wigmere Heath.

Borough Cllr Vaux reported: Spoke of her support for the LIDL application. Had attended the recent Licencing Committee meeting where it was agreed to increase licencing fees by 3%, however there would be no charges for electric taxis. Is a member of the CSPO Task & Finish Group, there is to be an increase of 2 and half CPSOs. ASB has not reduced in Tadley as much as elsewhere in the Borough. There are some Section 106 contributions available for the Borough owned play area at Southdown Road. Also a member of the Recycling for Flats Task & Finish Group which has introduced recycling bags for use indoors. The lack of accessible parking at the parade of shops in Franklin Ave has now been addressed and markings are now painted in the parking bays.

Cllr Leeks (AWE Local Liaison Committee) reported: There is a meeting in a couple of weeks time if anyone has issues to raise.

Cllr Flahive (Tadley Environment Group (TEG)) reported: See attached.

The meeting closed at 9.00pm.

Signed: .....

Dated: 4 May 2020

## Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

**Tadley Town Council**

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2020, that:

	Agreed		"Yes" means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

\*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

**Other information required by the Transparency Codes** (not part of Annual Governance Statement)

Authority web address

[www.tadleytowncouncil.gov.uk](http://www.tadleytowncouncil.gov.uk)

AUTHORITY WEBSITE ADDRESS

## Section 2 – Accounting Statements 2019/20 for

ENT Tadley Town Council

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	218,668	184,184	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	186,466	186,466	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	51,146	54,908	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	71,519	73,554	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	17,349	17,001	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	RESTATED 183,246	156,480	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	RESTATED 184,184	178,523	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	182,348	179,433	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	353,165	553,372	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	90,000	75,000	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.</i>
	✓		

I certify that for the year ended 31 March 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

I confirm that these Accounting Statements were approved by this authority on this date:

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

# Tadley Town Council

## Summary Income and Expenditure account for the year ended 31-Mar-20

	2019/20 £	2018/19 £
<b>Income</b>		
Precept	186,466	186,466
BDBC Litter Grant	15,796	15,065
Bank interest received	3,260	3,289
Burial Ground/Cemetery	19,192	16,069
Recharges and sundry income	7,068	2,834
Grants received	9,593	13,907
<b>Total Income</b>	<u>241,374</u>	<u>237,630</u>
<b>Revenue Expenditure</b>		
Grants made under s.137 and s.142	47,763	34,002
Burial Ground maintenance	4,681	5,885
Wages and administration	147,581	140,789
Grounds maintenance	27,887	56,353
	<u>227,912</u>	<u>237,030</u>
<b>Capital Expenditure</b>		
Other capital expenditure (see notes)	<u>19,123</u>	<u>35,085</u>
	19,123	35,085
<b>Total Expenditure</b>	<u>247,036</u>	<u>272,115</u>
Net Income / (Expenditure)	<u><u>-5,661</u></u>	<u><u>-34,484</u></u>
<b>Cumulative Fund Balance</b>		
Balance brought forward at 1 April 2019	<u>95,084</u>	<u>133,668</u>
Add Total Income	241,374	237,630
Transfers from general fund	9,900	-4,100
Less Total Expenditure	<u>247,036</u>	<u>272,115</u>
Balance carried forward at 31 March 2020	<u><u>99,322</u></u>	<u><u>95,084</u></u>



# Tadley Town Council

## Balance sheet

as at

31-Mar-20

	31.03.20 £	31.03.19 £
<b>Current Assets</b>		
Debtors	292	1,289
VAT refund due	2,019	2,939
Bank current account	5,500	5,500
Credit card	-76	-181
Bank deposit account	11,654	5,917
Public sector deposit account	162,355	171,144
	<u>181,744</u>	<u>186,609</u>
<b>Current Liabilities</b>		
Creditors and Accruals	3,222	2,425
	<u>3,222</u>	<u>2,425</u>
<b>NET ASSETS</b>	<u><u>178,522</u></u>	<u><u>184,184</u></u>
<b>REPRESENTED BY</b>		
General reserve	99,322	95,084
<b>Earmarked Reserves</b>		
Equipment, vehicles and tools	3,200	2,100
Election Costs	15,000	15,000
Play area refurbishment	36,000	36,000
Contingency Fund	20,000	20,000
Bus Service Subsidy	5,000	5,000
IT Equipment (Councillors)	0	11,000
<b>TOTAL RESERVES</b>	<u><u>178,522</u></u>	<u><u>184,184</u></u>
	0	0

.....  
Chairman

.....  
Responsible Financial Officer

Date .....

Date .....

# Tadley Town Council

## Supporting statement to the Income and Expenditure Account for the year ended 31-Mar-20

### Fixed Assets

a)	During the year the following capital expenditure was undertaken	£
	Highway Signs	640
	Benches	1,856
	Play Equipment	8,077
	Street Furniture	802
	Litter Equipment	523
	Office Equipment	7,226
		<u>19,123</u>
b)	As at 31 March 2020, the following assets were held <i>as per fixed asset register</i>	£
	Land (held at nominal value)	8
	Buildings	1,500
	Maintenance equipment	13,865
	Fencing, gates and walls	17,533
	Play areas	370,384
	Street furniture	72,631
	Regalia	1,601
	Office equipment	8,451
	Office furniture	2,999
	Vehicle	14,400
	CCLA Property Fund 16316 units <i>cost</i>	50,000
	Total value of assets held	<u>553,372</u>

Note: Fixed assets are valued at historic cost

### Borrowings

The Council has a Public Works Loan of £150,000 repayable over 10 years.

### Leases

The Council has an operating lease with Siemens Financial Services Ltd for a photocopier £180.10 a quarter and a lease with Basingstoke Council for speed limit reminder signs £640 per annum.

### Debts Outstanding

The council had customer invoices £292 due for payment as at 31 March 2019.

### Tenancies

Council as Landlord	per annum	term
none		

## Council as tenant

Turbary Allotment Charity (office)  
Giles Road open space

£2,963 quarterly renewal 2021  
£152 annually renewal 2020

## S.137 Payments

Section 137 of the Local Government Act 1972 enables Parish Councils to spend up to the product of £8.12 per head of population for the benefit of the people of the area on activities not specifically authorised by other powers.

The limit for the Council in 2019/20 was £73396, the following payments were made:

<u>Payee</u>	<u>2020</u> <u>Amount</u>	<u>2019</u> <u>Amount</u>
Barlows Park Management Assoc	9,350	7,000
Age Concern	1,000	0
Tadley Community Assoc	0	4,000
British Legion	50	50
Tadley Band	1,200	0
Hants & IOW Trust	400	450
Hurst Community school prizes	150	150
Tadley Elderly Day Care	2,000	0
Seeability	2,000	0
Tadley Community Assoc Youth	11,000	11,000
Berkshire MS	550	500
Tadley School PTA	1,150	1,500
Break For Life	2,039	0
Victim Support	300	0
TADS	500	0
Friends of Burnham Copse		500
Tadley Scouts	2,500	0
Subscriptions	384	514
Costs of running the green (net)	1,050	918
Tadley Citizen Advice (s.142)	12,140	7,420
	<u>47,763</u>	<u>34,002</u>

## Contingent Liabilities

The council has no contingent liabilities which have not been quantified and accrued for

## Pensions

The council operates the Hampshire County Council pension scheme for 2 employees.  
The council's contributions for 2019/20 amounted to £13,515 (2018/19 £12,428)

## Advertising and Publicity

The following costs for advertising and publicity were incurred during the year

	<u>2020</u>	<u>2019</u>
Town publicity, newsletter and website	1,580	1,586
	<u>1,580</u>	<u>1,586</u>

# Action Plan - Matters Arising From Audit.

CONTROL AREA	ISSUE	RECOMMENDED ACTION	ACTION TAKEN
Earmarked Reserves	The earmarked reserves of the council do not specify the location and final cost and the date of completion of each project	The council has reviewed its reserves but many of the categories do not meet the requirement in paragraph 5.33 JPAG Practitioners Guide. Please ensure that reserves meet the requirements on page 45 of the JPAG Practitioners Guide.	The council will review earmarked reserves in conjunction with the JPAG Practitioners Guide.
General reserves	The general reserves are significantly in excess of the updated guidance.	The council should bring its reserves within the limits in paragraph 5.32 JPAG Practitioners Guide by bringing forward projects or reducing the precept.	The council will review the general reserves in conjunction with the JPAG Practitioners Guide.
Budget reporting	The accounting software used by the council has no capacity for budgeting, budget comparisons or forward budgeting. The budget is therefore based on a spreadsheet.	The council should look at 'add ons' that will allow proper budget functionality to be linked to the live accounting data.	The council will look at 'add ons' that will allow proper budget functionality to be linked to the live accounting data.
Management reporting	The management accounts presented to council meetings are not directly produced from the accounting system. Members therefore have no clear record that the ledgers match the reports.	At each meeting of the F&GP committee the Sage Profit and Loss and Balance sheet should be reviewed for completeness.	Sage P&L and Balance sheet reports will be attached to the F&GP agenda in future.

5.32 General Reserve — The generally accepted recommendation with regard to the appropriate minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months Net Revenue Expenditure (NRE). NRE (subject to any planned surplus or deficits) effective by Precept/Levy less any Loan Repayment and/or amounts included in Precept/Levy for Capital Projects and transfers to Earmarked Reserves. The reason for the wide range (3 to 12 months) is to cater for the large variation in sizes of individual authorities. The smaller the authority the closer the figure should be to 12 months NRE, the larger the authority the nearer to 3 months. In practice, any authority with an NRE in excess of £200,000 should plan on 3 months equivalent General Reserve. It is important that each authority adopt, as a General Reserve policy, the level appropriate to the size and situation and plan the Budget so as to ensure that the adopted levels are maintained. Changes in activity levels/range of services provided will inevitably lead to changes in the recommended level of General Reserve in order to provide working capital for those activities.

5.33 Earmarked and Other Reserves — None of the above in any way affects the level of Earmarked and/or Capital Receipts Reserves (EMR/CRRs) that a authority may or should hold. There is, in practice, no upper or lower limit to EMR/CRRs save on the basis that they must be held for genuine and intended purposes, and the reserve should be subject to regular review and justification (at least annually), and should be separately identified and enumerated. Significant levels of EMRs in particular may give rise to enquiries from Internal and/or External Auditors.