



BRACKLEY TOWN COUNCIL

Reserves Policy

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1. INTRODUCTION

- 1.1 The Town Council is required by statute to maintain financial reserves sufficient to meet the needs of the organisation, and, in addition has statutory limitations on how it spends certain receipts which it must ensure are accounted for separately to the council's general reserves.
- 1.2 Whilst there is no statutory minimum (or maximum) level of reserves, the council has no power to hold revenue reserves other than those for reasonable working capital needs, or specific earmarked purposes.
- 1.3 The Joint Panel on Accountability and Governance (JPAG) Practitioners Guide, which sets out the proper practices for how a council must maintain its accounts, recommends that the minimum level of general reserves should be between three and twelve months of net revenue expenditure. For an authority of this council's size, it states that the middle - lower tier (three – six months, or 25% - 50%) is appropriate.
- 1.4 The council's Internal and External Auditors review the council's reserves and their justification annually.
- 1.5 This policy sets out how the council will manage its reserves and is separate to the council's investments policy which sets out how the council will hold its reserves.

2. GENERAL RESERVE

- 2.1 The general reserve is not ringfenced (earmarked) for any specific expenditure. Its purpose is to smooth the impact of uneven cashflow or cover unexpected / emergency expenditure. It is not intended to fund on-going expenditure
- 2.2 The general reserve will be replenished as part of the budget process in any year where it has been utilised for unexpected / emergency expenditure.
- 2.3 The council will usually hold a general reserve of 25% - 50% of its net revenue expenditure, this is the difference between its budgeted income and expenditure, less any budgeted capital expenditure, expenditure from earmarked reserves and budgeted transfer to reserves.

3. EARMARKED RESERVE

3.1 Earmarked reserves as the name suggests, are set up and earmarked for a specific project, and can only be used for that project. They CANNOT be used for general day to day running costs and / or maintenance costs. They should have an end date when the project is expected to be completed. Once the project is complete the earmarked reserve will be closed, and any unspent money should go back into general reserve. The council will decide the start and end date of each project via the strategic plan.

3.2 The earmarked reserves should go hand in hand with the annual budget setting, and the strategic plan. The council's current earmarked reserves are listed below.

- Town Hall Quinquennial 2018
- Play Equipment
- Skate Park
- Vehicle Replacement
- Egerton Hall Quinquennial 2019
- Public Toilets Refurbishment 2022
- Events
- War Memorial 2025
- CCTV Replacement 2023
- Office & IT Infrastructure 2024
- The Loft Quinquennial 2018
- Christmas Lights
- Elections
- WNC Toilet Refurb
- Capital Receipts
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4. EXPLANATION OF EMRs

4.1 Town Hall Quinquennial 2018

The EMR was set up in conjunction with National Heritage Lottery Fund, that stipulates it can only be used for the quinquennial works on each five-year anniversary, from when the Town Hall restoration was completed in September 2018.

Therefore, the council, are building funds for the Town Hall to cover any necessary repairs, as per the National Heritage Lottery Funding stipulation, that states the council is required to have £100,000.00 in reserve on each 5-year quinquennial anniversary starting from September 2018. There is no conclusion date for this EMR.

4.2 Play Equipment

The earmarked reserve is to build funds to contribute towards future investment for replacement of play equipment, within the play areas in the town.

Town Park – Opened 05/06/2008 Surface area due for replacement 2024 - Play Equipment ok as of Nov 2023- Cost to replace in this park £100,000.00 approx.

St. James Lake – Installed 2017/18 equipment ok until 2028

Zip Wire Park – Installed 15/03/2009 - Equipment and surface ok until 2025

Egerton Park – Rock Walls Installed 31/05/2012 - Equipment and surface ok until 2028

Humphries Drive / Chaffinch Way – Installed 2013 - Equipment and surface ok until 2028

Hans Apel – Install 01/05/2015 - Equipment and surface ok until 2028

Brewin Close – Installed 2014 - Equipment and surface ok until 2028

Falcon Way – Install 02/08/2013 - Equipment and surface ok until 2028

Inclusive Play – The council would like to explore the possibility of adding some inclusive play equipment within the current play areas with a completion date end of 2029

Footnote – Play Areas below are covered by s106 so are not EMR but listed for information

Carpenters Place – 2 play areas 1 for under 12s & 1 for over 12s

Foxhills – Play Equipment installed by Bellway 2018 / 2019 funds arrived May 2024 from Bellway. Play Equipment due to be replaced 2028 / 2029

Central Park (Poppyfields) – Play Equipment installed 2019 by consortium – funds to replace play equipment came via s106 Taylor Wimpey & Barrett Homes to come from Radstone Central Park. Play Equipment due for Replacement 2029 / 2030

4.3 Skate Park

The EMR funds the development of the Skate Park in the town. Once the skate park is complete, any spare funds will be held for 1 year, (or until final invoice has been received from Skatepark builder) (end of year 1 September 2025) and then moved into the Play Equipment Reserve.

4.4 Vehicle Replacement

Building funds for future replacement of council vehicles. As per our planned purchase and maintenance planner.

4.5 Egerton Hall Quinquennial 2019

Building Funds for the future replacement of equipment at Egerton Hall, and on every 5-year anniversary starting from April 2019.

4.6 Public Toilets Refurbishments 2022

Building funds for 10-year replacement of Public Toilets in Town Centre and Public Toilets within Old Fire Station area, starting from 2022. Replacement intended for 2032.

4.7 Events

Funding received for sponsorship for 2025 & 2026 Firework Display. Future proofing for town events if grant / sponsorship was not available.

4.8 War Memorial 2025

Building funds maintenance and cleaning of War Memorial in town centre every 3 years starting 2025

4.9 CCTV Replacement 2023

Building funds for 10-year replacement of CCTV system in town centre, starting 2023. New replacement expected 2033

4.10 Office & IT Infrastructure 2024

Building funds for 3 year replacement programme of IT equipment starting 2024

4.11 The Loft Quinquennial 2018

In conjunction with National Heritage Lottery, funds to replace white goods, soft furnishings and decorating on every 5-year anniversary starting 2018

4.12 Christmas Lights

Currently in a year-on-year contract. Council to decide if they wish to opt for another hire purchase agreement in 2027/28. If so building funds for 4 year agreement plan starting 2027 ending 2031

4.13 Elections 2025

This earmarked reserve is to cover the cost of local elections. The current cost (2025) £10,000 per ward contested. There are 4 wards within Brackley, building funds for the next election in 2029. Potential cost £40,000.

The council may determine to lower the reserve immediately before / after ordinary election years where the likelihood of a local election is lower.

5. NOT RESERVES (OTHER FUNDING BEING HELD BY BRACKLEY TOWN COUNCIL)

5.1 WNC Toilet Refurb

Funds given to BTC from West Northants Council (WNC) for the refurbishment of Town Centre Toilets March 2021. WNC will recall for any surplus funds.

5.2 Capital Receipts

Capital receipts are subject to statutory restrictions which requires that they only be used for capital expenditure, for the acquisition or construction of something (an asset) which will last for some years, this would include purchase of land, construction of new buildings, erection of new children's playgrounds or repair and improvement to roads and footpaths in a cemetery.

In accordance with Financial Regulations the council will hold a Capital Reserve to ensure capital receipts are separately accounted for.

5.3 CIL

Community Infrastructure Levy is a planning charge to ensure developments contribute to the cost of the infrastructure it will rely upon. This levy can only be spent on specific facilities such as play area, parks and cultural and sports facilities, for provision, improvement, or replacement. CIL cannot be used to fund solutions to existing problems i.e. traffic calming/management or on repairs to existing infrastructure in an area that hasn't experienced housing growth. CIL has a 5-year claw back from the Unitary Council if not spent.