



Pilling Parish Council

RESERVES POLICY 2025/26

Background

In accordance with the JPAG Guidelines for Reserves section 5.31, *As with any financial entity, it is essential that authorities have sufficient reserves (general and earmarked) to finance both their day-to-day operations and future plans*, Pilling Parish Council are required to have a policy in respect of reserves.

Bearing this in mind and the recommendation outlined in section 5.34 *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 and twelve months of net revenue expenditure*, the Parish Council considers itself to be a smaller authority.

Review

As it is also noted in section 5.32. *Smaller authorities have no specific right to accumulate funds via the precept. All reserves should be reviewed and justified regularly (i.e. at least annually). It is good practice to transparently publish both the level and rationale of all reserves*, the Parish Council will review this policy regularly at quarterly intervals by the Finance Committee and annually within the budget setting exercise.

Following review of the Reserves Policy for 2025-26 and taking into account recommendations from the Personnel Committee on potential costs for long term sickness together with agreed ringfenced funds to pay for licences and support the inception of the Broadfleet Flood Management Group, it was agreed that the following amounts should be ringfenced:

Community Action/Community WellIn	£ 5,642.00
Afternoon Tea	£ 714.33
Pilling in Bloom	£ 1,324.65
Broadfleet Flood Management	£ 5,000.00
Long Term Sickness	£ 25,767.17
Total ringfenced funds	£ 38,448.15

Revised Policy agreed:
Chair, Parish Council:

Date: 10/09/2025

Minute ref: 5694

This would leave a balance of £43,415.55 available in Reserves which would cover the minimum of 3 months operating costs.

Investment

These funds are invested for the longer-term benefit of the Parish Council but remains accessible to the Council for immediate transfer back to the bank account in case of need. Details of investments are detailed in the Cash Flow and Investment Strategy which is regularly reviewed by the Finance Committee.

Revised Policy agreed: Chair, Parish Council:	
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