

BRECKLAND COUNCIL FINANCIAL COMMENTS & APPRAISAL

THIS DOCUMENT PROVIDES THE FINANCIAL IMPLICATIONS
IN RESPECT OF THE ATTACHED REPORT

FROM: Alison Chubbock (Chief Accountant)
REPORT: Community Reserve Protocols
REPORT DATE: 12 June 2018

	£ Year 1 2018-19	£ Year 2 2019-20	£ Year 3 2020-21	£ Year 4 2021-22
Revenue				
Income				
tbc	(-)	(-)	(-)	(-)
Costs				
Confirmed funding	1,785,946	-	-	-
Indicative estimated funding	-	1,479,766	1,334,368	1,550,667
Total Revenue	1,785,946	1,479,766	1,334,368	1,550,667

Capital				
Income				
N/A	(-)	(-)	(-)	(-)
Costs				
N/A	-	-	-	-
Total Capital	-	-	-	-

Considered By: Cabinet
Date: 12-06-18

Financial Services Comments

The report sets out the protocols around how the Community Reserve can be used and follows the existing constitution for release of funds.

The values shown for the reserve for 2019-20 onwards are indicative estimates and will change, dependent on the value of New Homes Bonus received by the Council in future years. The value will be confirmed around February each year. Therefore amounts should not be committed until the value of New Homes Bonus has been confirmed (currently there is £1,785,946 confirmed).

£250,000 of the 2018-19 allocation is recommended to be ring-fenced for the Market Town Initiative.

The current budget does not include any expected financial return from the Community Reserve, so there is no requirement for a return on investment. As the reserve is limited in value it would not be prudent to fund ongoing costs from this source (i.e. permanent staff).

As projects are bought forward for consideration, their funding source should also be considered, as it may be more appropriate for funding to be provided from other sources, such as the growth and investment fund if the projects provide a financial return through rents, council tax, business rates, etc.

Financial Risk

It is important than any potential projects are reviewed by finance for VAT/tax implications before progressing to completion, so that any potential implications can be understood before proceeding

This appraisal is valid for 1 month from issue date

If there are changes to the original report it may invalidate this document & must be reviewed by Finance.

04/06/2018

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