

Reserves Working Group Terms of Reference

1. Background

- 1.1 Reserves are amounts of money set aside voluntarily by the Council to fund or partially-fund future expenditure plans on a specific project or item. Under the Council's financial procedure rules, the establishment or dissolution of specific reserves requires the approval of the Cabinet (Resources) Panel. Use of reserves requires the approval of the Cabinet (Resources) Panel. Reserves must also be reviewed for relevance and adequacy at least twice per financial year, as part of the outturn and budget preparation processes.

2. Terms of Reference

- 2.1 To receive a detailed report on reserves.
- 2.2 To review and scrutinise the balances and movements of the council's reserves to ensure that they are appropriately established and required.
- 2.3 To make recommendation or comment to Cabinet on matters arising from the review and scrutiny of reserves.