

51/06 - **ANNUAL REVIEW OF RESERVES:** The Head of Financial Management submitted a written report which provided an annual review of reserves and the uses to which reserves had been put in 2005/06, together with their proposed use in 2006/07 and beyond. The report and respective appendices gave details of the committed and proposed uses of the reserves and in respect of their planned use, Cabinet was asked to review, for those proposals individually exceeding £10,000 whether or not they were considered to be of a significant high priority, when judged against the Council's corporate priorities and objectives. In that regard, Cabinet referred to paragraph 5.14 of the report which set out the proposed use of business unit reserves for 2006/07 totalling expenditure of £634,712 and agreed that approval to the proposed uses be delegated to the Cabinet Member for Finance and Resources, following further consultation with his Cabinet colleagues. The Director of Resources also responded to Cabinet on the level of those earmarked reserves relating to the Insurance and Benefit Subsidy pools.

RESOLVED (UNANIMOUSLY):

Business Unit Reserves:

That (1) the proposed uses of Business Unit Reserves in 2006/07 totalling £634,712 which individually exceeds £10,000 be delegated to the Cabinet Member for Finance and Resources for approval following consultation with other appropriate Members of the Cabinet;

(2) the following be noted:

the use of Business Unit Reserves in 2005/06 totalling £1,606,282 (as summarised in column 3 of Appendix 1a)

the transfer of funds between Business Unit Reserves and to/from other earmarked reserves following the corporate restructuring (as summarised in column 6 of Appendix 1a)

the planned uses of Business Unit Reserves in 2006/07 totalling £507,831 which individually total £10,000 or less and the committed uses of Business Unit Reserves in 2006/07 totalling £2,421,112 which individually exceed £10,000 (as summarised in column 8 and included in column 9 respectively of Appendix 1a). The committed uses which individually exceed £10,000 being detailed in paragraph 5.13;and

Other Earmarked Revenue Reserves

(3) the information in relation to other earmarked revenue reserves as summarised in Appendix 1b be noted.

Reason for making decision:

In accordance with good practice, it is important that the Council continues to ensure that all spending is in line with its corporate priorities as set out in the Strategic Plan and the Corporate Improvement Plan.

Alternative options considered and rejected:

Not to review the use of reserves and risk that spending could occur which is not in accordance with the Council's corporate priorities.

(5.44 pm – 5.55 pm)

(D)