

# **Berkswell Parish Council**

## **Reserves Policy – February 2017**

This document sets out the reserves policy for Berkswell Parish Council.

### **Purpose of a Reserves Policy**

The purpose of this reserve policy is to ensure the Council recognises risk relating to its income streams, degree of commitment to expenditure and the overall risk environment in the delivery of the Council's role and statutory responsibilities.

The Council has categorised its reserves as; 'General Reserves' to support the ongoing financial viability of the Council and may be used generally to further the Council's objectives; and 'Designated Reserves' which have been ring-fenced for a particular future purpose.

### **Reserves Policy**

The following is the Council's reserves policy:

General Reserves – it is the Council's policy to maintain its general reserve at a level commensurate with the value of the annual budget. In order to maintain general reserves at this level Council will, during the Annual Budget Setting process, consider using reserves to reduce the Precept Charge for a given year and make a contribution out of reserves to fully fund the annual budget.

Designated Reserves – it is the Council's policy to designate reserves to meet possible future demands on its resources from on-going issues where timing and scope is not sufficiently defined to enable provision to be made in the Council's budget and three year financial forecast.

The following are currently the areas to which the designated reserves may be applied:

In 2017/18 Council agreed to earmark £29k of its reserves to provide for:

- Berkswell Scouts New Club House (£4k);
- Jubilee Centre (£5k) and
- the Balsall Common Centre Project (£20k).

9 February 2016