

# BELPER TOWN COUNCIL

## REPORT TO FGS COMMITTEE: FINANCIAL RISK ASSESSMENT & RESERVES

---

The greatest risk facing Belper Town Council is not being able to deliver the services and activities expected of it. Robust finances play a large part in minimising this risk so the Council needs to identify and control its financial risks alongside ensuring that it maintains sufficient reserves to manage financial risk, to ensure contingencies are in place in the event of a financial shortfall and to support investment in future projects which are beneficial to the Town.

The purpose of this paper is to facilitate an analysis of financial risks and to consider how the Council will determine and review the level of its reserves for the future to ensure that it meets its commitments to the Town.

### **1 FINANCIAL RISK ASSESSMENT**

Identifying and managing possible and probable risks that could be faced by the Council is a key part of its governance. By managing these risks effectively, the Council can help ensure that:

- significant risks are known and monitored, enabling the Council to make informed decisions and take timely action;
- the Council makes the most of opportunities and develops them with the confidence that it can identify and manage any risks;
- forward and strategic planning are improved;
- the Council meets its aims as defined in the 2021-2024 Corporate Plan.

Reporting on the steps the Council has taken to manage financial risk helps to demonstrate its accountability to the public who fund its activities through Council Tax. Appendix 1 shows the results of my recent Financial Risk Assessment in detail, Appendix 2 shows the summarised data as a Matrix and Appendix 3 details the Key to Risks

#### METHODOLOGY

For the three areas of financial risk that, in my view, could impact on the Council's ability to deliver services, Financial, Assets and Legal Liabilities, I have:

- identified the individual risks;
- considered triggers that flag up the risk and the controls currently in place to manage each risk
- rated (1) the likelihood and (2) the impact of the risk taking account of the existing controls;
- generated a risk rating by combining the two ratings to give a composite score to assess how much risk is present;
- proposed action that can be taken to reduce the risk;
- noted any follow up/advisory actions;
- identify individual/committee responsible for action.

## ACTION PLAN

I would ask the FGS Committee members to rate these risks for themselves using the criteria shown as Appendix 2. Once we have an approved list, the next stage in the process is to agree an Action Plan for those risks identified as needing attention and assign a risk owner for each area of risk

## **2** RESERVES

Sections 32 and 43 of the Local Government Finance Act 1992 require local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. The amount that Councils need, or choose, to hold in their reserves varies according to local circumstance, however, it is generally accepted that the General Reserve should usually be within the range of three to twelve months of Gross Expenditure, although there is no specified minimum or maximum level of reserves that should be held (Governance & Accountability for Local Councils – A Practitioners Guide (England) 2010 Section 2.26).

### TYPES OF RESERVE

Belper Town Council maintains two types of reserves, categorised as General and Earmarked.

#### GENERAL RESERVE

A robust General Reserve demonstrates the Council's fiscal prudence and is a measure of solvency for the Council's finances.

Whilst the Council's Asset Register shows a current valuation of £285,558 this has been valued at cost since 2013 and has never been revalued or depreciated. In real terms, the realisable value will be significantly less and it is doubtful that any item could be sold for a sum required to support emergency funding. This means that the Council's General Reserve comprises entirely of liquid funds which are currently held on instant access and short-term deposit and used :

- as working capital in the event that expenditure is needed ahead of income being received;
- as working capital to protect the continuity of its core services to the town;
- to minimise the risk in the event of a fall in income levels;
- as funding for new initiatives or opportunities that arise during the year;
- as funding in the event of unplanned adverse events such as losing key staff, unscheduled elections, theft, fire, flood, essential building repairs, pandemic;
- as shortfall funding for unexpected increases in expenditure caused by budget overruns and inflationary pressures.

The Actual General Reserve held by the Council at any one time can be calculated from:

Cash *minus* Outstanding Budgets *minus* Earmarked Reserves

This figure is included in the monthly financial reports which are approved by Full Council and published on the Council's website.

Whilst there is a benefit to the Council in having no long-term debts, if it should want to raise funds in the future, it needs to show that it is financially stable and has sufficient liquidity to repay capital plus interest. A strong and stable General Reserve will provide this assurance to potential lenders.

### EARMARKED RESERVE

Earmarked Reserves provide a means to:

- set aside funds for projects that extend beyond one year;
- hold a contingency against a specific situation occurring or for use in a later financial year;
- meet known or planned policy initiatives.

These reserves will increase through decisions of the Council and will decrease as they are spent on their specific intended purposes. Once an Earmarked Reserve has been established by the Town Council, it is the responsibility of the RFO to ensure funds are spent in line with their purpose. The need for each Earmarked Reserve should be reviewed annually as part of the budget setting process to ensure that it is still relevant and set at the correct amount.

### ASSESSMENT OF RESERVE LEVELS

A recurring theme running through the action required to reduce higher risk ratings is to ensure that the Council has sufficient General Reserves to minimise the likelihood and impact of each area of risk

The assessment of the adequacy of the Council's balances and reserves is based on the guidance note on Local Authority Reserves and Balances which, whilst there is not a statutory requirement, is considered to set out current best practice with regard to balances and reserves. The guidance states that no case has yet been made to set a statutory minimum level of reserves and that each local authority should take advice from its RFO and base its judgement on local circumstances.

Further elements that could impact adversely on future Precepts are the capping of Town Council Precept by Central Government, possible future devolution of services from Amber Valley Borough Council, potential clawback of a percentage of precept to support the costs of social care and any capital requirements for the management of the premises/land that the Council is responsible for.

The financial impact of the Council's 2021-2024 Corporate Plan should also be considered in terms of developing and funding the projects that will deliver the Council's vision.

The Council's finances rely almost exclusively on the Precept. Outside of that, it currently has very little scope for income generation from the use of its own assets. Although the Council puts on a series of successful events throughout the year, these are geared towards promotion of the town rather than profit. The

Council's car parks and toilets are all free of charge - the car park budget is around 10% of Precept and the toilets 1%.

In setting its reserve levels, the Council has a responsibility to balance the requirement to hold sufficient reserves against the potential to improve services to the Town by holding a lower reserve. It should also be able to justify the level of reserve it has decided to hold. To meet these requirements I propose that, rather than setting reserve as a percentage of Precept, the Council consider each element of the budget to decide whether, in the event that funds need to be reallocated, the service is:

1. Not essential – the service can be put on hold while the financial position is resolved (0% of cost)
2. Desirable at a reduced cost – a lower level of service can be provided with minimum impact (50% of budget required)
3. Desirable at a scaled back cost – a service can be provided with minimum impact (75% of budget required)
4. Essential – the service cost cannot be reduced without significant impact (100% of budget required)

I have provided an example of how this would work as Appendix 4. Each budget heading is allocated one of the above ratings which automatically calculates the minimum budget that would be required to run essential/reduced services for a period of six months. Based on my assessments using the 2021/22 budget, the minimum General Reserve the Council should aim to hold is £198,053.

I would also suggest that consideration be given to a General Reserve Contingency of 10% of Precept (£59,006) to cover unforeseen expenditure. Examples of where this could have been used this year would be to fund:

- unplanned bye-election costs (estimated £13k);
- shortfalls caused by the unexpectedly high rises in gas/electricity prices;
- additional Sunday market stall erection/dismantling costs (£1.8k).

Insurance supports the need for a General Reserve in that it covers some of the identified risks. This does not mean that these risks do not need to be taken into account when setting the General Reserve as insurance claims procedures are lengthy and services cannot be put on hold pending the expectation of an insurance settlement which is not guaranteed.

The Council should review each of its Earmarked Reserves to ensure that each 'project' is still required and that it is properly funded.

## **4**     **INSURANCE**

The Council meets its statutory requirements under The Compulsory Insurance Act (1969) and S114 of the Local Government Act (1972). Zurich currently provides insurance cover which is specifically designed for town councils in terms of:

- Employers' Liability – covers legal liability to employees if they are injured whilst working

- Public Liability – covers legal liability to pay compensation to members of the public if they are injured or their property is damaged as a result of an accident caused by the Council or its employees
- Money – covers loss of money and provides compensation for an accident sustained by employees as a result of theft or attempted theft
- Fidelity Guarantee – covers loss sustained from fraud or dishonesty of employees
- Officials' Indemnity – covers legal liability for negligence of council members, officials or staff in pursuit of their duties
- Libel & Slander – covers legal liability to pay compensation for libel contained in publications issued in the Course of Council Business or slander uttered by the Clerk to the Council and any member of the public whilst carrying out their duties
- Legal Expenses – provides legal advice and protection for legal costs arising from a range of contingencies

There are also optional areas of cover that have been taken out within the Policy including :

- Property Damage - provides All Risks cover for loss or damage to buildings, contents and other property owned/managed by the council – including street furniture, playground equipment and war memorials, with the option to include damage caused by subsidence
- Business Interruption – cover for loss of revenue or increased cost of working as a result of premises being unfit for occupation following loss or damage
- Personal Accident – covers council members, clerks, council employees or volunteers against accidental bodily injury
- No Claims Bonus Protection & Application of Excess Protection – provides cover for payment of excess and loss of no claims discount when clerks and councillors are using private motor vehicles in connection with council business

## **5 RESPONSIBLE FINANCIAL OFFICER**

The RFO is described in the Accounts and Audit Regulations 2003, Section 2(2) as “the person who, by virtue of Section 151 of the Local Government Act 1972 is responsible for the administration of the financial affairs of a relevant body”. The RFO has a fiduciary duty to local tax payers and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds. To satisfy this duty, the RFO should advise the Council about the level of reserves that it should hold, ensure there are clear protocols for their establishment and use and provide the Council with the timely and accurate financial information necessary to make effective judgements on the level of reserves, taking into account all relevant local circumstances.

### SAFEGUARDS AGAINST FINANCIAL OVER-COMMITMENT

There are four significant safeguards in place against the Council overcommitting itself financially:

- Balanced budget requirement;
- RFO S114 powers;

- External auditor's responsibility to review and report on financial standing;
- Interim and year end audit report from the Council's internal auditor.

## **6 CONCLUSION**

### **FINANCIAL RISK ASSESSMENT**

Reviewing the Council's Financial Risk Assessment should be ongoing each time a situation changes. As a minimum, it should form part of the budgeting procedure as it helps to identify unacceptable risk levels, planned and unplanned expenditure and thereby indicates an appropriate level of reserves.

### **RESERVES**

General and Earmarked Reserves should be reviewed annually as part of the budgeting procedure. The General Reserve should be justified by an assessment of each budget category and Earmarked Reserves by detailed costings, a clear description of the 'project' for which each reserve is held and a likely timescale.

In addition to allowing the Council to effectively manage unforeseen financial pressures and plan for known or unpredicted liabilities, there is a small benefit to holding reserves in terms of the interest earned on funds which are not utilised.

### **INSURANCE**

The current insurance policy should be reviewed as part of the budgeting procedure to ensure that it remains fit for purpose.

Christine Marlow | Responsible Financial Officer | Belper Town Council  
October 2021

**BELPER TOWN COUNCIL**

APPENDIX 1: FINANCIAL RISK ASSESSMENT (DRAFT)

LIKELIHOOD KEY

Non	Unlikely
2	Remote
3	Seldom
4	Occasional
5	Frequent

IMPACT KEY

1	Insignificant
2	Marginal
3	Moderate
4	Critical
5	Catastrophic

RISK RATING KEY

1-2	Minimal (No Action - Managed by Existing Controls)
3-4	Low (Review Existing Controls)
6-10	Medium (Improve Existing Controls)
11-16	High (Immediate Action)

**RISK REF 1: FINANCIAL**

AREA OF RISK	TRIGGER	EXISTING CONTROLS	LIKELIHOOD	IMPACT	RISK RATING	ACTION REQUIRED TO REDUCE RISK	FOLLOW UP/ADVISORY
<b>1.01 ADEQUACY OF PRECEPT</b>	<ul style="list-style-type: none"> <li>▲ Amount inadequate</li> <li>▲ Requirement not submitted in time</li> <li>▲ Unexpected/unbudgeted expenditure</li> </ul>	<ul style="list-style-type: none"> <li>(i) Timely and accurate financial information available for key decisions</li> <li>(ii) Sufficient time allowed for full consideration of future year commitments</li> <li>(iii) Precept deadline noted and monitored by RFO</li> </ul>	2	4	8	<ul style="list-style-type: none"> <li>(a) Maintain Existing Controls</li> <li>(b) Ensure adequate General Reserve - see 1.07</li> </ul>	(a) see 1.07
<b>1.02 ANNUAL RETURN</b>	<ul style="list-style-type: none"> <li>▲ Incorrectly completed</li> <li>▲ Poorly evidenced</li> <li>▲ Not submitted on time</li> <li>▲ Failure to pass internal/external audits</li> </ul>	<ul style="list-style-type: none"> <li>(i) Electronic records facilitate preparation of evidenced AGAR</li> <li>(ii) Primary and secondary records fully auditable, copies of all primary records on file</li> <li>(iii) Copies of primary records kept in hard copy and electronic format</li> <li>(iv) RFO aware of required timescales</li> <li>(v) Financial Instructions complied with</li> </ul>	1	2	2	(a) Maintain Existing Controls	N/A
<b>1.03 BANKING: FAILURE</b>	<ul style="list-style-type: none"> <li>▲ Failure of Bank (Current Account)</li> <li>▲ Failure of Building Society (Savings/Investment)</li> <li>☹ FSCS does not protect deposits made by public authorities with an annual of £427,500</li> </ul>	<ul style="list-style-type: none"> <li>(i) Regular monitoring of accounts, social media, news</li> <li>(ii) Ensure appropriate spread of funds across various banks/building societies</li> </ul>	2	4	8	<ul style="list-style-type: none"> <li>(a) Increase spread of funds across banks/building societies</li> <li>(b) Check sufficient insurance cover in place</li> <li>(c) Ensure adequate General Reserve - see 1.07</li> </ul>	<ul style="list-style-type: none"> <li>(a) Paper to FGS Committee for discussion (RFO)</li> <li>(b) see 1.07</li> <li>(d) Consider Bank Fidelity Guarantee Insurance Cover recommended fidelity guarantee total reserve plus 50% of precept</li> </ul>
<b>1.04 BANKING: ACCURACY</b>	<ul style="list-style-type: none"> <li>▲ Banking Errors - Internal or External</li> </ul>	<ul style="list-style-type: none"> <li>(i) Check Current Account daily and reconciled to accounts for income/expenditure</li> <li>(ii) Ensure expected income received/expenditure authorised and cleared</li> <li>(iii) Use bank procedure to follow up/resolve identified errors</li> <li>(iv) Bank Reconciliation Report provided as part of Monthly Financial Reports to Council</li> </ul>	1	1	1	(a) Maintain Existing Controls	N/A
<b>1.05 BORROWINGS</b>	<ul style="list-style-type: none"> <li>▲ Unable to meet borrowing commitments</li> </ul>	<ul style="list-style-type: none"> <li>(i) Not applicable</li> </ul>	1	1	1	(a) If borrowing required, ensure sufficient funds are included in Precept and ringfenced as Earmarked Reserve	N/A
<b>1.06 CASH</b>	<ul style="list-style-type: none"> <li>▲ Loss through theft, dishonesty or error</li> </ul>	<ul style="list-style-type: none"> <li>(i) Use of cash for income/expenditure discontinued</li> <li>(ii) Fidelity Guarantee Insurance in place</li> </ul>	1	1	1	(a) Maintain Existing Controls	N/A
<b>1.07 CASH FLOW &amp; WORKING CAPITAL</b>	<ul style="list-style-type: none"> <li>▲ Shortfall in working capital to protect the continuity of core services</li> <li>▲ Fall in income levels</li> <li>▲ Insufficient short-term funding for new initiatives</li> <li>▲ Inability to meet planned/unplanned expenditure</li> </ul>	<ul style="list-style-type: none"> <li>(i) Quantify risks</li> <li>(ii) Ensure adequate General Reserve</li> <li>(iii) Reserve Policy in place</li> <li>(iv) General Reserve identified in monthly Financial Reports to Council</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>(a) Review Reserves Policy</li> <li>(b) Financial Risk Assessment Matrix</li> <li>(c) Risk assess each Budget Line as part of annual Budget Review and monitor throughout year</li> </ul>	(a) Paper to FGS for discussion including draft Financial Risk Assessment Matrix and advisory risk assessment for each Budget Line (RFO)
<b>1.08 CHEQUES</b>	<ul style="list-style-type: none"> <li>▲ Fraudulent Use</li> <li>▲ Loss, theft</li> </ul>	<ul style="list-style-type: none"> <li>(i) Use of cheques for expenditure discontinued in favour of on-line banking</li> <li>(ii) Cheque books held securely, no blank cheques signed, spoiled cheques kept and details recorded</li> </ul>	1	1	1	(a) Maintain Existing Controls	N/A
<b>1.09 CREDIT CARD</b>	<ul style="list-style-type: none"> <li>▲ Fraudulent Use</li> <li>▲ Loss, theft</li> </ul>	<ul style="list-style-type: none"> <li>(i) Card use authorised by Clerk</li> <li>(ii) Card statement validated against receipts</li> </ul>	2	1	2	(a) Maintain Existing Procedures	
<b>1.10 EXPENDITURE</b>	<ul style="list-style-type: none"> <li>▲ Unauthorised Purchases</li> <li>▲ Invoices incorrect</li> <li>▲ Fraud</li> <li>▲ Inappropriate use of Grant Funding</li> </ul>	<ul style="list-style-type: none"> <li>(i) Financial Procedures followed</li> <li>(ii) Fully auditable electronic accounting system</li> <li>(iii) Expenditure Report provided as part of Monthly Financial Reports to Council</li> <li>(iv) Separation of duties for purchasing and payments</li> </ul>	1	1	1	<ul style="list-style-type: none"> <li>(a) Maintain Existing Controls</li> <li>(b) Ensure adequate General Reserve - see 1.07</li> </ul>	<ul style="list-style-type: none"> <li>(a) Review Financial Instructions</li> <li>(b) Review Grant Procedure</li> </ul>

**BELPER TOWN COUNCIL**

APPENDIX 1: FINANCIAL RISK ASSESSMENT (DRAFT)

LIKELIHOOD KEY

Non	Unlikely
2	Remote
3	Seldom
4	Occasional
5	Frequent

IMPACT KEY

1	Insignificant
2	Marginal
3	Moderate
4	Critical
5	Catastrophic

RISK RATING KEY

1-2	Minimal (No Action - Managed by Existing Controls)
3-4	Low (Review Existing Controls)
6-10	Medium (Improve Existing Controls)
11-16	High (Immediate Action)

		(v) Anti Fraud & Corruption, Whistleblowing Policies (vi) Full disclosure required before/after funding approved					
<b>1.11 FINANCIAL CONTROLS &amp; RECORDS</b>	<ul style="list-style-type: none"> <li>⚠ Inadequate records leading to financial irregularities</li> <li>⚠ Falsification of records</li> </ul>	(i) Electronic and Hard Copy records/systems kept up to date and reconciled (ii) Financial Instructions reviewed annually (iii) Accounts audited annually by internal and external auditors (iv) Transactions monitored by FGS Committee Members as authorised signatories (v) Transactions monitored by Council through Monthly Financial Reports	1	1	1	(a) Maintain Existing Controls	(a) Review Financial Instructions
<b>1.12 INCREASED INSURANCE PREMIUMS</b>	<ul style="list-style-type: none"> <li>⚠ Insurance Claims</li> </ul>	(i) Ensure good claims management (ii) Ensure optimum level of cover	3	2	6	(a) Maintain Existing Procedures (b) Ensure adequate General Reserve - see 1.07	(a) Review Cover as part of Annual Budget Review (a) see 1.07
<b>1.13 INCOME</b>	<ul style="list-style-type: none"> <li>⚠ Outstanding debts</li> <li>⚠ Loss of income</li> <li>⚠ Potential income not identified</li> <li>⚠ Precept not received</li> </ul>	(i) Regular review of debtors/chasing debts (ii) Payment requested on receipt of invoice and in advance of Events (iii) Ensure precept request made in accordance with timescale (iv) Income Report provided as part of Monthly Financial Reports to Council	1	2	2	(a) Maintain Existing Controls (b) Ensure adequate General Reserve - see 1.07	(a) see 1.07
<b>1.14 INVESTMENTS</b>	<ul style="list-style-type: none"> <li>⚠ Failure of Investments</li> </ul>	(i) Not applicable - Council has no investments	1	1	1	(a) If investments required, review investment strategy and re-assess risk	(a) N/A
<b>1.15 LEGISLATIVE REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>⚠ Unscheduled Elections/Parish Polls</li> </ul>	(i) Included in annual budget	4	3	12	(a) Ensure adequate General Reserve - see 1.07	(a) see 1.07
<b>1.16 MAJOR LOSS OF SERVICE (through fire, flood, structural damage, vandalism, pandemic)</b>	<ul style="list-style-type: none"> <li>⚠ Major incident occurrence requiring additional staffing, material/repair costs, short/long-term alternative locations, recovery investment</li> </ul>	(i) Emergency Plan (ii) Funding through specific budgets, General Reserves	2	3	6	(a) Ensure adequate General Reserve - see 1.07 (b) Review Costing for Emergency Plan	(a) see 1.07
<b>1.17 SALARIES/PENSIONS</b>	<ul style="list-style-type: none"> <li>⚠ Incorrect staff details</li> <li>⚠ Incorrect payments to staff</li> <li>⚠ Ghost staff</li> <li>⚠ Pension rules not followed</li> <li>⚠ Inaccurate returns to HMRC/LGPA</li> <li>⚠ Late returns/payments to HMRC/LGPA</li> </ul>	(i) Starter Form completed/signed by new staff member and Clerk (ii) Ad hoc payments to staff identified by timesheet/email authorised by Clerk (iii) Automated payroll system, balancing via payroll journal (iv) Payroll/pensions training for RFO (where relevant) (v) RFO aware of HMRC/LGPA timescales	1	1	1	(a) Maintain Existing Controls	
<b>1.18 STAFF ABSENCE, VACANCY OVERTIME</b>	<ul style="list-style-type: none"> <li>⚠ Long-term sick leave</li> <li>⚠ Statutory Leave</li> <li>⚠ Resignation</li> <li>⚠ Inability to Recruit</li> <li>⚠ Additional costs for locum, cover, recruitment advertisements</li> </ul>	(i) Additional costs approved by Council (ii) Costs covered through existing budget	3	2	6	(a) Ensure adequate General Reserve - see 1.07	(a) see 1.07

**RISK REF 2: ASSETS**

AREA OF RISK	TRIGGER	EXISTING CONTROLS	LIKELIHOOD	IMPACT	RISK RATING	ACTION REQUIRED TO ACHIEVE TARGET RISK RATING	FOLLOW UP/ADVISORY
<b>2.1 PREMISES/PROPERTY</b>	<ul style="list-style-type: none"> <li>⚠ Fire</li> <li>⚠ Flood</li> <li>⚠ Leaks</li> </ul>	(i) Complete maintenance in a timely manner and to a good standard (ii) Premises regularly inspected (iii) Capital provision made for large scale maintenance/renovation (annual increase)	2	3	6	(a) Maintain Existing Controls (b) Ensure Adequate General Reserve - see 1.07	(a) Check building reinstatement insurance values (b) see 1.07 (c) Check insurance values/storage requirements of



**BELPER TOWN COUNCIL**

APPENDIX 1: FINANCIAL RISK ASSESSMENT (DRAFT)

**LIKELIHOOD KEY**

Non	Unlikely
2	Remote
3	Seldom
4	Occasional
5	Frequent

**IMPACT KEY**

1	Insignificant
2	Marginal
3	Moderate
4	Critical
5	Catastrophic

**RISK RATING KEY**

1-2	Minimal (No Action - Managed by Existing Controls)
3-4	Low (Review Existing Controls)
6-10	Medium (Improve Existing Controls)
11-16	High (Immediate Action)

- ⚠ Weather & Accidental Damage
- ⚠ Vandalism
- ⚠ Risk to staff/public

- (iv) Legislative inspections kept up to date
- (v) Buildings/Property Insurance up to date and reviewed annually
- (vi) Fire and intruder alarms with automatic response maintained in accordance with recommendations
- (vii) Regular fire/emergency alarm checks
- (viii) Buildings secured outside working hours
- (ix) Regular checks of toilets, allotments, car parks
- (x) Regular utility meter readings
- (xi) Compliance with insurance conditions

3	4	12
---	---	----

regalia

**RISK REF 3: LEGAL LIABILITIES**

AREA OF RISK	TRIGGER	EXISTING CONTROLS	LIKELIHOOD	IMPACT	RISK RATING	ACTION REQUIRED TO ACHIEVE TARGET RISK RATING	FOLLOW UP/ADVISORY
<b>3.01 COMPUTER/ELECTRONIC STORAGE OF RECORDS</b>	<ul style="list-style-type: none"> <li>⚠ System reliability/limited upgrade capacity</li> <li>⚠ Loss of data through system failure, power outage, theft or damage</li> <li>⚠ Data corruption from viruses or hacking</li> <li>⚠ Software change removes access to data</li> </ul>	<ul style="list-style-type: none"> <li>(i) Regular backups</li> <li>(ii) Support contract with IT company</li> <li>(iii) Recommended anti-virus software</li> <li>(iv) Software licences up to date</li> <li>(v) Local data backups</li> <li>(vi) Download data as .csv/.osd to ensure access</li> </ul>	3	4	12	(a) Maintain Existing Controls	(a) Review appropriateness of existing systems
<b>3.02 COUNCIL NOT ACTING WITHIN ITS LEGAL POWERS</b>	<ul style="list-style-type: none"> <li>⚠ Ultra vires acts incurring financial</li> </ul>	<ul style="list-style-type: none"> <li>(i) Town Clerk is CILCA qualified.</li> <li>(ii) General Powers of Competence in Place</li> <li>(iii) Use of advice from NALC/DALC and SLCC</li> <li>(iv) Members follow the Code of Conduct</li> <li>(v) Provide training for new councillors</li> </ul>	1	3	3	(a) Maintain Existing Controls	
<b>3.03 DOCUMENT CONTROL</b>	<ul style="list-style-type: none"> <li>⚠ Documents unaccounted for</li> <li>⚠ Incorrect version of document in use</li> <li>⚠ No proof of documents received</li> </ul>	<ul style="list-style-type: none"> <li>(i) Filing system established and updated</li> <li>(ii) Data Protection Act requirements in place</li> <li>(iii) Registered with ICO</li> <li>(iv) Paper documents date stamped on receipt and actioned by staff</li> <li>(v) Emails containing attachments kept on file</li> <li>(vi) Councillors' mail available for collection</li> </ul>	2	2	4	(a) Audit existing systems	(a) Introduce formal document control system
<b>3.04 EMPLOYMENT LAW/HMRC COMPLIANCE</b>	<ul style="list-style-type: none"> <li>⚠ Acts outside the law</li> </ul>	<ul style="list-style-type: none"> <li>(i) Legally compliant employment contract</li> <li>(ii) Policies &amp; Procedures</li> <li>(iii) Advice sought from DALC/NALC where appropriate</li> <li>(iv) HR files compliant</li> <li>(v) Training</li> <li>(vi) Auditable payroll system</li> </ul>	1	1	1	(a) Maintain Existing Controls	(a) Check HR files for compliance
<b>3.05 HEALTH &amp; SAFETY OF COUNCILLORS, VISITORS, CONTRACTORS/DUTY OF CARE</b>	<ul style="list-style-type: none"> <li>⚠ Accidents whereby the Council are found to be at fault</li> </ul>	<ul style="list-style-type: none"> <li>(i) Health &amp; Safety Policy</li> <li>(ii) Risk Assessments/Method Statements for work carried out</li> <li>(iii) Risk Assessments for in place for all Property</li> <li>(iv) Adequate Public Liability Insurance in place</li> <li>(v) Lone working minimalised/managed</li> <li>(vi) First Aid Training</li> </ul>	2	3	6	(a) Maintain Existing Controls (b) Ensure Adequate General Reserve - see 1.07	(a) Check procedures, staff training, safety documentation, PPE for use of equipment (b) see 1.07 (c) Consider phased outsourcing of H&S (d) Arrange Fire Safety/Risk Assessment Inspection

**BELPER TOWN COUNCIL**

APPENDIX 1: FINANCIAL RISK ASSESSMENT (DRAFT)

LIKELIHOOD KEY

Non	Unlikely
2	Remote
3	Seldom
4	Occasional
5	Frequent

IMPACT KEY

1	Insignificant
2	Marginal
3	Moderate
4	Critical
5	Catastrophic

RISK RATING KEY

1-2	Minimal (No Action - Managed by Existing Controls)
3-4	Low (Review Existing Controls)
6-10	Medium (Improve Existing Controls)
11-16	High (Immediate Action)

		(vii) Accident records kept and reported where necessary (viii) Event management plans and risk assessments completed/updated for all Events (ix) Plans/documentation sought from third parties using the Council's premises (x) Regular checks on premises/assets (xi) Equipment maintained in accordance with recommendations (xii) Correct PPE provided with instructions for use					
<b>3.06 INSURANCE</b>	<ul style="list-style-type: none"> <li>▲ Inadequate cover</li> <li>▲ Over insurance</li> <li>▲ Areas/assets not covered</li> <li>▲ Insufficient funds to increase premiums part-way through year if required</li> <li>▲ Lapsed Policy</li> </ul>	(i) Annual insurance review with provider (ii) Discussed/approved by FGS Committee/Council (iii) Asset register kept up to date (iv) RFO aware of timescales (v) Specialist insurers for public bodies	1	3	3	(a) Maintain Existing Controls (b) Ensure Adequate General Reserve - see 1.07	(a) Check all assets insured (b) see 1.07
<b>3.07 INTERNAL FINANCIAL CONTROLS &amp; AUDIT</b>	<ul style="list-style-type: none"> <li>▲ Proper financial controls not maintained</li> <li>▲ True financial position not known</li> </ul>	(i) Financial regulations in place and updated regularly (ii) Primary and secondary accounting records fully auditable, copies of all primary retained on file	1	3	3	(a) Maintain Existing Controls	(a) Review existing procedures
<b>3.08 LEGAL LIABILITY AS A CONSEQUENCE OF ASSET OWNERSHIP</b>	<ul style="list-style-type: none"> <li>▲ Injury caused through fault with asset</li> <li>▲ Inadequate/out of date operative training</li> <li>▲ Poor maintenance of asset</li> <li>▲ Lack of PPE</li> </ul>	(i) Premises/assets inspected regularly, faults reported and resolved (ii) Premises/assets regularly maintained (iii) PAT tests carried out annually (iv) 5-Year electrical certification ? (v) Staff training (vi) Public liability insurance	1	3	3	(a) Maintain Existing Controls (b) Ensure Adequate General Reserve - see 1.07	(a) Check insurance cover (b) see 1.07
<b>3.09 REGISTER OF MEMBERS' INTERESTS</b>	<ul style="list-style-type: none"> <li>▲ Not maintained in accordance with Code of Practice</li> </ul>	(i) Latest Code of Contract adopted by Council (ii) Declaration of Interests required/minuted at each Council meeting	1	2	2	(a) Maintain Existing Controls	N/A
<b>3.10 REPORTS &amp; RECORDS</b>	<ul style="list-style-type: none"> <li>▲ Improper/untimely reporting of meetings via minutes</li> </ul>	(i) Council meets monthly to receive/approve minutes of previous Council meeting and committee meetings held in the interim (ii) Agendas/supporting papers sent out one week in advance (iii) Agendas/supporting papers/minutes made available on the Council's website	1	2	2		
<b>3.11 TENDERING PROCESS</b>	<ul style="list-style-type: none"> <li>▲ Procedures not followed for significant contracts</li> <li>▲ Optimum value not achieved</li> <li>▲ Fraud</li> </ul>	(i) Standing orders correctly followed (ii) Contractor/supplier selected on best value for money (iii) Contracts reviewed on expiry (iv) Procurement procedures in place and familiar to staff	1	2	2	(a) Maintain Existing Controls	(a) Set up pre-agreed selection criteria to ensure tender meets requirements (b) Ensure on-going costs are factored into operation budget

## BELPER TOWN COUNCIL

### APPENDIX 2: FINANCIAL RISK MATRIX (DRAFT)

<b>RISK REF 1: FINANCIAL</b>			
AREA OF RISK	LIKELIHOOD	IMPACT	RISK RATING
1 Adequacy of Precept	2	4	8
1 Annual Return	1	2	2
1.03 Banking: Failure	2	4	8
1.04 Banking: Accuracy	1	1	1
1.05 Borrowings	1	1	1
1.06 Cash	1	1	1
1.07 Cash Flow & Working Capital	4	4	16
1.08 Cheques	1	1	1
1.09 Credit Card	2	1	2
1.10 Expenditure	1	1	1
1.11 Financial Controls & Records	1	1	1
1.12 Insurance Premiums	3	2	6
1.13 Income	1	2	2
1.14 Investments	1	1	1
1.15 Legislative Requirements	4	3	12
1.16 Major Loss of Service	2	3	6
1.17 Salaries/Pensions	1	1	1
1.18 Staff Absence/Vacancy/Overtime	3	2	6

#### LIKELIHOOD KEY

1	Unlikely
2	Remote
3	Seldom
4	Occasional
5	Frequent

#### IMPACT KEY

1	Insignificant
2	Marginal
3	Moderate
4	Critical
5	Catastrophic

<b>RISK REF 2: ASSETS</b>			
AREA OF RISK	LIKELIHOOD	IMPACT	RISK RATING
2.01 Premises/Property	2	3	6

<b>RISK REF 3: LEGAL LIABILITIES</b>			
AREA OF RISK	LIKELIHOOD	IMPACT	RISK RATING
3.01 Computers/Electronic Storage of Records	3	4	12
3.02 Council not Acting within its Legal Powers	1	3	3
3.03 Document Control	2	2	4
3.04 Employment Law/HMRC Compliance	1	1	1
3.05 Health & Safety / Duty of Care	2	3	6
1.08 Insurance	1	3	3
3.07 Internal Financial Controls & Audit	1	3	3
1.09 Legal Liability as a Consequence of Asset Ownership	1	3	3
3.09 Register of Member's Interests	1	2	2
1.10 Reports & Records	1	2	2
3.11 Tendering Process	1	2	2

#### RISK RATING KEY

1-2	Minimal
3-4	Low
6-10	Medium
11-16	High

**BELPER TOWN COUNCIL**

APPENDIX 3: KEY TO FINANCIAL ASSESSMENT RISK CATEGORIES

**LIKELIHOOD**

<b>1</b>	<b>UNLIKELY</b>	RATIO LESS THAN 10:100
<b>2</b>	<b>REMOTE</b>	RATIO BETWEEN 11:100 AND 20:100
<b>3</b>	<b>SELDOM</b>	RATIO BETWEEN 21:100 AND 40:100
<b>4</b>	<b>OCCASIONAL</b>	RATIO BETWEEN 41:100 TO 75:100
<b>5</b>	<b>FREQUENT</b>	RATIO BETWEEN 76:100 TO 100

**IMPACT**

		<u>Financial</u>	<u>Service Disruption</u>	<u>Adverse Reaction</u>	<u>Failure to Achieve ...</u>	<u>Injury</u>
<b>1</b>	<b>INSIGNIFICANT</b>	LOSS BELOW £5K	NONE	NONE	N/A	NONE
<b>2</b>	<b>MARGINAL</b>	LOSS BETWEEN £5K AND £50K	MINOR (LESS THAN ONE WEEK)	ISOLATED COMPLAINTS	SINGLE SERVICE OBJECTIVE	MINOR
<b>3</b>	<b>MODERATE</b>	LOSS BETWEEN £50K AND £100K	SHORT TERM (LESS THAN ONE MONTH)	LOCAL MEDIA COVERAGE	MULTIPLE SERVICE OBJECTIVESD	TIME LOSS
<b>4</b>	<b>CRITICAL</b>	LOSS BETWEEN £100K AND £300K	SIGNIFICANT (MORE THAN ONE MONTH)	NATIONAL MEDIA COVERAGE	SINGLE CORPORATE PLAN OBJECTIVE	MAJOR
<b>5</b>	<b>CATASTROPHIC</b>	LOSS ABOVE £300K	SECTION 114 NOTICE	MINISTERIAL	MULTIPLE CORPORATE PLAN OBJECTIVES	FATALITY

**RISK**

<b>1-2</b>	<b>MINIMAL</b>	MANAGED BY EXISTING CONTROLS
<b>3-4</b>	<b>LOW</b>	REVIEW EXISTING CONTROLS
<b>6-10</b>	<b>MEDIUM</b>	IMPROVE EXISTING CONTROLS
<b>11-16</b>	<b>HIGH</b>	KEY

## BELPER TOWN COUNCIL

### APPENDIX 4 BUDGET ASSESSMENT FOR GENERAL RESERVE (DRAFT)

#### KEY

1	Non-Essential (0% of 6 Month Budget)
2	Desirable at Reduced Cost (50% of 6 Month Budget)
3	Desirable at Scaled Back Cost (75% of 6 Month Budget)
4	Essential (100% of 6 Month Budget)

<b>BUDGET A: ANNUAL EVENTS</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
A01	Christmas: Lights/Trees	13,000	6,500	3	4,875
A02	Christmas : Switch On	900	450	3	338
A03	Christmas: Food Festival	3,000	1,500	4	1,500
A04	Christmas: Carol Service	650	325	3	244
A05	Larks In The Park	3,500	1,750	1	0
A06	Summer: Food Festival	3,000	1,500	4	1,500
A07	Remembrance Sunday	550	275	3	206
A08	Licences: General	70	35	4	35
<b>SUB TOTAL: ANNUAL EVENTS</b>		<b>24,670</b>	<b>12,335</b>		<b>8,698</b>
<b>BUDGET B: TOWN CENTRE REGENERATION</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
B01	Town Centre Regeneration	9,620	4,810	3	3,608
B02	Promotion	400	200	3	150
<b>SUB TOTAL: TOWN CENTRE REGENERATION</b>		<b>10,020</b>	<b>5,010</b>		<b>3,758</b>
<b>BUDGET C: ARTS, EVENTS &amp; HERITAGE</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
C01	Talks Programme	1,000	500	1	0
C02	Inclusive Arts for Vulnerable People	3,000	1,500	1	0
C03	Heritage & Guided Maps	1,000	500	1	0
C04	Walking Maps	1,500	750	1	0
<b>SUB TOTAL: TOWN CENTRE REGENERATION</b>		<b>6,500</b>	<b>3,250</b>		<b>0</b>
<b>BUDGET D: FACILITIES, ENVIRONMENT, LOCAL ECONOMY</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
D01	Benches (Happy to Chat)	2,000	1,000	1	0
D02	Flag Poles	1,500	750	1	0
D03	Flood Defence Equipment	5,000	2,500	4	2,500
<b>SUB TOTAL: FACILITIES, ENVIRONMENT, LOCAL ECONOMY</b>		<b>8,500</b>	<b>4,250</b>		<b>2,500</b>
<b>BUDGET E: YOUTH COMMITTEE</b>		<u>youth</u> <u>committee</u>	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
E01	Blend/Youth Council	9,270	4,635	4	4,635
E02	DBS Checks	300	150	4	150
<b>SUB TOTAL: YOUTH COMMITTEE</b>		<b>9,570</b>	<b>4,785</b>		<b>4,785</b>
<b>BUDGET F: STAFF</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
F01	Salaries	218,777	109,389	4	109,389
F02	Training & Development	4,750	2,375	2	1,188
F03	PPE	559	280	4	280
F04	Recruitment Advertising	1,480	740	3	555
<b>SUB TOTAL: STAFF</b>		<b>225,566</b>	<b>112,783</b>		<b>111,411</b>

## BELPER TOWN COUNCIL

### APPENDIX 4 BUDGET ASSESSMENT FOR GENERAL RESERVE (DRAFT)

#### KEY

1	Non-Essential (0% of 6 Month Budget)
2	Desirable at Reduced Cost (50% of 6 Month Budget)
3	Desirable at Scaled Back Cost (75% of 6 Month Budget)
4	Essential (100% of 6 Month Budget)

<b>BUDGET G: OPERATING COSTS</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
G01	Landline/Broadband	1,500	750	4	750
G02	Mobiles	810	405	4	405
G03	Print, Post & Stationery	2,500	1,250	2	625
G04	Office Equipment	1,000	500	1	0
G05	ICO Data Protection Fee	35	18	4	18
G06	Software Licences	2,213	1,107	4	1,107
G07	IT Support	1,500	750	4	750
G08	Subscriptions	2,500	1,250	4	1,250
G09	Website	2,000	1,000	4	1,000
G10	Newsletter	5,000	2,500	3	1,875
G11	Insurance	3,500	1,750	4	1,750
G12	Audit	500	250	4	250
G13	Bank Charges	300	150	4	150
G14	Legal Fees	550	275	4	275
G15	Councillor Training	600	300	4	300
G16	OP Contingency	2,011	1,006	3	754
<b>SUB TOTAL: OPERATING COSTS</b>		<b>26,519</b>	<b>13,260</b>		<b>11,258</b>
<b>BUDGET H: ENVIRONMENT/SERVICES</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
H01	Waste Disposal	2,349	1,175	4	1,175
H02	Grit & Bins	1,300	650	4	650
H03	Dog Bags	1,700	850	4	850
H04	Equipment/Consumables	1,000	500	3	375
H05	Repairs & Maintenance: Equipment	1,953	977	4	977
H06	Repairs & Maintenance: General	378	189	4	189
H07	Maintenance: Defibrillator	400	200	4	200
H08	Maintenance: Jubilee Clock	250	125	4	125
H09	Noticeboards	75	38	4	38
H10	Tree Survey	350	175	2	88
H11	ES Contingency	1,329	665	2	332
<b>SUB TOTAL: ENVIRONMENT/SERVICES</b>		<b>11,084</b>	<b>5,542</b>		<b>4,997</b>
<b>BUDGET I: FLORAL DISPLAYS</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
I01	Compost, etc	1,200	600	2	300
I02	Planters, Baskets, etc	500	250	2	720
I03	Plants	13,000	6,500	2	632
I04	FD Contingency	3,000	1,500	2	300
<b>SUB TOTAL: FLORAL DISPLAYS</b>		<b>17,700</b>	<b>8,850</b>		<b>300</b>

## BELPER TOWN COUNCIL

### APPENDIX 4 BUDGET ASSESSMENT FOR GENERAL RESERVE (DRAFT)

#### KEY

1	Non-Essential (0% of 6 Month Budget)
2	Desirable at Reduced Cost (50% of 6 Month Budget)
3	Desirable at Scaled Back Cost (75% of 6 Month Budget)
4	Essential (100% of 6 Month Budget)

<b>BUDGET J: PREMISES</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
J01	Chapel: Alarm System	2,000	1,000	4	1,000
J02	Chapel: Cleaning Materials	150	75	4	75
J03	Chapel: Electricity	14,000	7,000	4	7,000
J04	Chapel: NNDR	4,800	2,400	1	0
J05	Chapel: Water	300	150	4	150
J06	Chapel: Car Park Lease	7,000	3,500	4	3,500
J07	Market Place: Contingency	200	100	2	50
J08	Market Place: Electricity	250	125	4	125
J09	Market Place: Market Stalls	3,800	1,900	4	1,900
J10	Market Place: NNDR	700	350	1	0
J11	Memorial Gardens: Contingency	400	200	2	100
J12	Memorial Gardens: Electricity	550	275	4	275
J13	Memorial Gardens: Planting	339	170	2	85
J14	Strutt Street Toilets: Cleaning/Maintenance	1,200	600	4	600
J15	Strutt Street Toilets: Utilities	1,708	854	4	854
J16	The Coppice: Alarm System	650	325	4	325
J17	The Coppice: Contingency	1,500	750	2	375
J18	The Coppice: Electricity	1,000	500	4	500
J19	The Coppice: NNDR	47,552	23,776	1	0
J20	The Coppice: Water	250	125	4	125
J21	Allotments: Lease	210	105	4	105
J22	Allotments: Maintenance	200	100	4	100
J23	Allotments: Water	250	125	4	125
<b>SUB TOTAL: PREMISES</b>		<b>89,009</b>	<b>44,505</b>		<b>17,369</b>
<b>BUDGET K: VEHICLES</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
K01	Vehicles: Fuel	1,154	577	1	0
K02	Vehicles: Repairs, Maintenance & Tracker	1,528	764	4	764
K03	Vehicles: Road Fund Licence	3,000	1,500	4	1,500
K04	Vehicles: Contingency	4,000	2,000	4	2,000
<b>SUB TOTAL: VEHICLES</b>		<b>9,682</b>	<b>4,841</b>		<b>4,264</b>
<b>BUDGET L: GRANTS</b>		<u>ANNUAL</u> BUDGET	<u>SIX MONTH</u> BUDGET	<u>RISK RATING</u>	<u>GENERAL RESERVE</u>
L01	SLA: Accessible Belper	520	260	4	260
L02	SLA: AV Community Transport	2,550	1,275	4	1,275
L03	SLA: Belper Early Years	1,777	889	4	889
L04	SLA: Belper North Mill Trust	11,132	5,566	4	5,566
L05	SLA: Blend/Youth Council	13,698	6,849	4	6,849
L06	SLA: Citizens' Advice Bureau	10,317	5,159	4	5,159

## BELPER TOWN COUNCIL

### APPENDIX 4 BUDGET ASSESSMENT FOR GENERAL RESERVE (DRAFT)

<b>KEY</b>					
1	Non-Essential (0% of 6 Month Budget)				
2	Desirable at Reduced Cost (50% of 6 Month Budget)				
3	Desirable at Scaled Back Cost (75% of 6 Month Budget)				
4	Essential (100% of 6 Month Budget)				
L07	SLA: Derbyshire Children's Holiday Home	2,000	1,000	4	1,000
L08	SLA: Derbyshire Unemployed Centre	1,913	957	4	957
L09	SLA: Fleet Arts	11,514	5,757	4	5,757
L10	SLA: Street Angels	650	325	4	325
L11	One-Off Grants	20,000	10,000	2	5,000
<b>SUB TOTAL: GRANTS</b>		<b>76,071</b>	<b>38,036</b>		<b>33,036</b>
<b>BUDGET M: MAYOR'S ALLOWANCE</b>					
		<b>ANNUAL BUDGET</b>	<b>SIX MONTH BUDGET</b>	<b>RISK RATING</b>	<b>GENERAL RESERVE</b>
M01	Civic Service	1,275	638	1	0
M02	Mayor's Allowance	2,216	1,108	2	554
<b>SUB TOTAL: MAYOR'S ALLOWANCE</b>		<b>3,491</b>	<b>1,746</b>		<b>554</b>
<b>BUDGET N: EARMARKED RESERVE</b>					
		<b>ANNUAL BUDGET</b>	<b>SIX MONTH BUDGET</b>	<b>RISK RATING</b>	<b>GENERAL RESERVE</b>
N01	Railway Jitty Signage	5,000		1	0
N02	St John's 750th Anniversary	3,500		1	0
N03	Tea Rooms: Contribution	100,000		1	0
N04	Tea Rooms Contingency	30,000		1	0
N05	Tea Rooms Opening Event	2,000		1	0
N06	Toilet Facility	5,000		1	0
N07	Blue Box (PAID)	0		1	0
N08	Charging Point Feasibility Study	20,000		1	0
N09	Community Playspaces	20,000		1	0
N10	Skate Park	15,335		1	0
N11	Election Costs	6,250		1	0
N12	Vehicle Replacement Fund	10,000		1	0
N13	Chapel Building Repairs Fund	10,000		1	0
<b>SUB TOTAL: EARMARKED RESERVE</b>		<b>227,085</b>	<b>0</b>		<b>0</b>
<b>TOTALS</b>		<b>732,467</b>	<b>252,691</b>		<b>198,053</b>



## BELPER TOWN COUNCIL

### APPENDIX 4 BUDGET ASSESSMENT FOR GENERAL RESERVE (DRAFT)

**KEY**

1	Non-Essential (0% of 6 Month Budget)
2	Desirable at Reduced Cost (50% of 6 Month Budget)
3	Desirable at Scaled Back Cost (75% of 6 Month Budget)
4	Essential (100% of 6 Month Budget)

RECOMMENDED MINIMUM GENERAL RESERVE	
Cost of Six Month's Reduced Services	198,053
<i>Plus</i> Contingency of 10% of Precept	59,006
TOTAL: Recommended Minimum General Reserve	<u>257,059</u>
<i>Plus</i> Earmarked Reserve	<u>227,085</u>
<b>TOTAL: Reserves</b>	<b>484,144</b>