

**TOWCESTER TOWN COUNCIL**  
**Governance and Finance Risk Assessment**



**Finance**

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Precept	Not submitted	L	Precept amount resolved by Council; Town Clerk/RFO forwards request to Unitary Authority	Existing procedure adequate	L	Town Clerk/RFO/ Council
Precept	Not paid by Unitary Authority	L	Town Clerk/RFO checks and reports if not received at period start (50% April, 50% September)	Existing procedure adequate	L	Town Clerk/RFO/ Council
Precept	Adequacy of Precept	H	Resources & Planning Cttee (R&P) review budget in depth; recommendation to Council; precept determined based on agreed budget	Existing procedure adequate	L	Town Clerk/RFO/ Council
Budget	Adequacy of Budget Provision	H	Committees start in September to assess needs; R&P Cttee review in November; monthly budget v actual to R&P Cttee; off-plan projects considered by relevant committee then R&P Cttee recommends funding to Council	Existing procedure adequate	L	Town Clerk/RFO/ Council
Insurance	Adequacy / Cost / Compliance / Fidelity Guarantee	L / L / L / M	Annual review of all insurance; Employers Liability, Public Liability and Fidelity Guarantee maintained	Review provision and compliance annually	L	Town Clerk/RFO/ Council
Banking	Inadequate checks	L	Financial Regulations cover banking, cheques, reconciliation; all payments supported by invoice/receipt; AdvanEdge reconciled to statement and reported monthly to R&P Cttee; quarterly internal checks with rotating members; two councillor authorisation on payments	Review Financial Regulations annually	L	Town Clerk/RFO/ Council

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Cash	Loss through theft or dishonesty	L	Financial Regulations set cash handling; no petty cash held.	N/A	L	N/A
Election Costs	Risk of election costs	L	Election reserve established; shortfall met by general reserves if needed	Include in financial statement when setting precept	L	Town Clerk/RFO / Council
VAT	VAT reclaim	L	Town Clerk/RFO produces VAT analysis; quarterly claim to HMRC via BACS; receipt verified in quarterly internal check and reported to R&P Cttee	Under review	L	Town Clerk/RFO
Allotment Income	Below budget prediction	L	Charges reviewed annually during budget; changes advised a year in advance; monitor tenant receipts	Under review	L	Town Clerk/RFO
Cemetery Income	Below budget prediction	M	Monitor income against issued invoices	Under review	L	Town Clerk/RFO
Investment Income	Below budget prediction	L	Investment Policy reviewed annually	Under review	L	Town Clerk/RFO
Grants (Income)	Receipt of grant	L	Grants include terms/conditions to satisfy; procedure formed if required	Under review	L	Town Clerk/RFO

## Salaries

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Salaries	Inadequate funding for salaries & on-costs	L	Council authorises appointments; Personnel Cttee reviews salary rates annually; fully costed in budget and approved by Council	Under review	L	Town Clerk/RFO/ Town Clerk/RFO / Council
Salaries	Incorrect pay rate, hours or deductions	L	Contracts and JDs in place; salaries paid monthly by BACS; TAX & NI calculated and checked by Town Clerk/RFO	Under review – need to appoint external company	L	TOWN CLERK/RFO/ Town Clerk/RFO / Council

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**Direct Costs & Overheads**

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Direct Costs & Overheads	Goods not supplied to Town Council	M	Purchase Order system; goods/services checked against orders	Under review	L	Town Clerk/RFO
Direct Costs & Overheads	Invoice incorrectly calculated	L	Town Clerk/RFO checks arithmetic on all invoices	Under review	L	Town Clerk/RFO
Direct Costs & Overheads	Cheque/payment value excessive	M	Activity and payments resolved at council per Financial Regulations; invoices and payments reviewed and signed by two councillors	Under review	L	Town Clerk/RFO/Council

**Grants (Outgoing Support)**

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Grants & Support (Outgoing)	Power to pay / authorisation	M	Expenditure follows required approval, minuted; S137 listed separately if used; Council holds General Power of Competence	Under review	L	Town Clerk/RFO

**Reserves**

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Reserves – General	Adequacy	L	Reserves should not exceed precept but allow operation if precept not received; considered during budget setting	Existing procedure adequate	L	Council

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Reserves – Earmarked	Adequacy	L	Consider at budget and year-end	Existing procedure adequate	L	Council
Grants & Restricted Funds	Compliance with donor restrictions	L	Restricted funds identified upon receipt and separately accounted; only used for intended purpose; Town Clerk/RFO ensure T&Cs met	Existing procedure adequate	L	Town Clerk/RFO

## Assets

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Assets	Loss or damage	M	Annual inspection; update insurance and asset registers; review adequacy of Public Liability insurance	Existing procedure adequate	L	Town Clerk/RFO / Council
Asset Register	Failure to identify, value and maintain assets; incomplete register	M	Record and maintain all assets and include in year-end accounts; annual valuation review; professional valuation where appropriate	Under review	L	Town Clerk/RFO
Borrowing / Lending	Adequacy of finances to repay loans	M	Monthly financial review and cash-flow forecasting; borrowing requires Full Council approval and formal application	Existing procedure adequate	L	Council

## Operational

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Councillors	Failure to retain or secure necessary number of members	M	Town Clerk/RFO maintains attendance register; policy for casual vacancies	Existing procedure adequate	L	Town Clerk/RFO / Council

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Council Records	Loss/damage through computer breakdown or fire/water damage	L	Minutes, agendas, policies and documents managed through Microsoft 365 (cloud)	Existing procedure adequate	L	Town Clerk/RFO / Council
Security of Data (IT systems & support)	Data security risk	M	All data backed up and stored in cloud per Microsoft 365 policies; confidential documents shredded by external company; computers password-protected with anti-virus; ICO registration	Existing procedure adequate	L	Town Clerk/RFO / Council
Council Premises	Loss of office through fire or damage	L	H&S fire arrangements; extinguishers maintained annually; fire alarm tested; equipment inspected; premises cleaned weekly; O365 supports home working	Existing procedure adequate	L	Town Clerk/RFO / Council
Procedures & Systems Documentation	Lack of awareness / actions without proper authority	M	Policies and procedures documented and circulated; reviewed and presented to R&P Cttee	Under review	L	Town Clerk/RFO
Pandemic	Reducing the spread of disease	M	Follow government legislation; complete risk assessments to identify risks and control measures	Existing procedure adequate with ongoing review	L	Town Clerk/RFO
Business Continuity	Business continuity risk	M	Business Continuity Plan in place	Under review	L	Town Clerk/RFO

**Health & Safety**

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Health & Safety	Risk of staff injury / public injury	L	Annual H&S inspections by qualified inspectors with written reports and prioritised action plans; recommendations implemented; event	Existing procedure adequate	L	Town Clerk/RFO / Council

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			risk assessments before every event; parks/play areas inspected daily/weekly/monthly as per risk and contract			
Assets – Public Areas	Loss/damage to assets; risk/damage to third parties	H	Asset Register maintained; annual insurance review; regular risk checks; weekly play area checks via contract; independent annual inspection; repairs by competent person; public liability insurance in place	Existing procedure adequate	L	Town Clerk/RFO
Assets – Maintenance	Poor maintenance of assets/amenities	M	Regular review and maintenance; repairs/expenditure authorised per procedures	Existing procedure adequate	L	Town Clerk/RFO
Employment of Contractors	Contractor compliance	M	Ensure contractors hold sufficient public liability insurance and H&S certificates; issue Council requirements	Existing procedure adequate	L	Town Clerk/RFO

## Governance

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Freedom of Information	Need to respond to requests	L	Model Scheme adopted; action FOI requests in accordance with policy	Existing procedure adequate	L	Town Clerk/RFO
Governance Policies	Accurate and legal	L	Policies reviewed per the Council's policy review schedule	Under review	L	Town Clerk/RFO / Council
Minutes	Accurate and legal; transparency	L	Decisions recorded as resolutions/recommendations; minutes reviewed/approved next meeting and signed by Chair; draft and approved minutes on website	Existing procedure adequate	L	Council / Town Clerk/RFO / Staff
Agenda & Notices	Accurate and legal	L	Agendas produced/displayed per legal requirements and best practice by Town	Existing procedure adequate	L	Council

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			Clerk/RFO; posted in TC window and website			
Statutory Governance Documents	Accurate and legal	L	Standing Orders and Financial Regulations reviewed annually	Existing procedure adequate	L	Council
Data Protection / GDPR	Legally compliant	L	ICO registration; Town Clerk/RFO as DPO; annual review of GDPR processes/procedures/policies for compliance with latest regulations	Under review	L	Town Clerk/RFO
Legal Power	Ensuring Council operates within statutory duty	L	CiLCA-qualified Clerk; 66.6% members elected; General Power of Competence until May 2029 / Town Clerk/RFO training to stay current with legislation	Existing procedure adequate	L	Town Clerk/RFO
Annual Return (AGAR)	Failure to submit within time limits	L	Year-end details reported to R&P Cttee before Annual Meeting; NCALC Internal Audit scheduled Apr/May to ensure AGAR ready for FP&A approval and Full Council submission	Existing procedure adequate	L	Town Clerk/RFO

**Staff & Volunteers**

Activity	Risk Identified	Rating (Initial)	Management / Control of Risk	Review / Assess / Revise	Rating (Revised)	Action
Organisational Structure	Ineffective organisational structure	L	Org charts; contracts specify roles/duties; annual appraisals; regular staff meetings	Assess	L	Town Clerk/RFO / Council
Staff / Key Personnel	Loss of Town Clerk/RFO	L	Contingency and succession planning; ensure adequate training/support/hours to avoid stress; temporary cover/distribute workload as required	Assess	L	Town Clerk/RFO / Council

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Chairman	Loss of Chairman	L	Vice-Chairman undertakes duties; Full Council appoints another councillor as Vice-Chairman for remainder of year	Existing procedure adequate	L	Council
Councillors	Lack of relevant skills or commitment	L	Skills reviewed, training offered via NCALC	Existing procedure adequate	L	Town Clerk/RFO / Council
Members' Interests	Conflict of interest	M	Code of Conduct adopted; Register of Interests submitted to Monitoring Officer; declarations recorded in minutes	Existing procedure adequate	L	Councillors

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