



# Loddon Town Council

The Old School | Church Plain | Loddon | NR14 6EX

[www.loddontowncouncil.gov.uk](http://www.loddontowncouncil.gov.uk) || 01508 522 020

## Financial Risk Management

RISK	STATUS	APPROPRIATE MEASURES	RISK
The protection of physical assets owned by the council - buildings, furniture, equipment, etc (loss or damage)	High	Insurance - Maintain an up to date register of assets and investments and testing of specific internal controls and report findings to management.	Low
The risk of damage to third party property or individuals as a consequence of the council providing services or amenities to the public (public liability)	High	Insurance - Regular maintenance arrangements for physical assets. Health & Safety reviews at regular intervals.	Low
The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss)	High	Insurance - Annual review of risk and the adequacy of cover.	Low
Loss of cash through theft or dishonesty (fidelity guarantee)	High	Insurance - Annual Audit and financial review or internal controls in place and their documentation.	Low
Legal liability as a consequence of asset ownership (public liability)	High	Insurance - Ensure robustness of insurance providers and review management arrangements regarding insurance cover.	Low
Security for valuable buildings, amenities or equipment	High	Self-Manage - Town Clerk/RFO/AAO/Parish Warden to maintain security of all buildings, amenities and equipment.	Low
Maintenance for vulnerable buildings, amenities or equipment	High	Self-Manage/Third Party - Town Clerk/RFO/AAO/Parish Warden/Authorised Companies to maintain buildings, amenities and equipment.	Low
The provision of services being carried out under agency agreement with principal authority	Medium	Self Manage.	Low

<b>RISK</b>	<b>STATUS</b>	<b>APPROPRIATE MEASURES</b>	<b>RISK</b>
Banking arrangements, including borrowing or lending	High	Self-Manage - Standing Orders and Financial Regulations govern adoption of and adherence to codes of practice for procurement and investment, arrangements to detect fraud, and/or corruption, regular bank reconciliations, independently reviewed, internal audit testing to include review of internal controls in place and their documentation, review of minutes to ensure legal powers are available, and the basis of the powers recorded and correctly applied, review and testing of arrangements to prevent and detect fraud and corruption, review of adequacy of insurance cover provided by suppliers, testing of specific internal controls and reporting findings to management. Investment Strategy governs the Council's investments and is reviewed annually.	Low
Ad hoc provision of amenities/facilities for events to local community groups	Low	Insurance and Self-Manage. Risk Assessments in place.	Low
Trading Units - Jubilee Playing Field, Hockey Field, and Loddon Staithe Toilets	Medium	Insurance and Self-Manage. Risk Assessments in place. Checks by staff members.	Low
Professional Services	Low	Self-Manage.	Low
Town Clerk - Holidays/Illness/Death	Low	Self-Manage - Administrative Officer/Locum Clerk until new Clerk appointed.	Low
RFO - Holidays/Illness/Death	Low	Self-Manage - Town Clerk/Locum RFO until new RFO appointed.	Low
AAO – Holidays/Illness/Death	Low	Self-Manage – Town Clerk/RFO and/or temp AAO until new AAO appointed.	Low
Parish Warden - Holidays/Illness/Death	Low	Third-Party - Obtain contractors to fulfil duties until new Parish Warden appointed.	Low

<b>RISK</b>	<b>STATUS</b>	<b>APPROPRIATE MEASURES</b>	<b>RISK</b>
Keeping proper financial records in accordance with statutory powers	Low	Self-Manage - Responsible Financial Officer appointed, overseen by councillors and internal auditor/external auditor. Review of internal controls in place and their documentation, review of minutes to ensure legal powers in place, recorded and correctly applied, testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements, etc., including petty cash transactions, review and testing of arrangements to prevent and detect fraud and corruption, testing of disclosures, testing of specific internal controls and reporting findings to management. See below.	Low
Ensuring all business activities are within legal powers applicable to local councils	Low	Self-Manage - As before. Regular scrutiny of financial records and proper arrangements for the approval of expenditure, recording in the minutes the precise powers under which expenditure is being approved, regular returns to the Inland Revenue; contracts of employment for all staff, annually reviewed by the council, systems of updating records for any changes in relevant legislation, regular returns of VAT; training the Responsible Financial Officer in matters of VAT and other taxation issues as necessary, regular budget monitoring statements, developing systems of performance measurement, procedures for dealing with and monitoring grants or loans made or received, minutes properly numbered and paginated with a master copy kept in safe keeping. Documented procedures to deal with enquiries from the public, documented procedures to deal with responses to consultation requests, monitoring arrangements by the council regarding Quality Council status, documented procedures for document receipt, circulation, handling, and filing, procedures in place recording and monitoring members' interests and gifts and hospitality received, adoption of codes of conduct for members and employees.	Low
Complying with restrictions on borrowing	Low	Self-Manage - As before.	Low
Ensuring that all requirements are met under employment law and Inland Revenue regulations	Low	Self-Manage - As before.	Low

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Ensuring all requirements are met under Customs and Excise regulations (especially VAT)	Low	Self-Manage - As before.	Low
Ensuring adequacy of the annual precept within sound budgeting arrangements	Low	Self-Manage - As before. Ensure the Precept amount is recorded in the Minutes.	Low
Monitoring or performance against agreed standards under partnership agreements	Low	Self-Manage - As before.	Low
Ensuring proper use of funds granted to local community bodies under specific powers or under section 137.	Low	Self-Manage - As before e.g. CIL funding accounted for separately with expenditure rules applied, monitored and reported.	Low
Proper, timely and accurate reporting of council business in the minutes	Low	Self-Manage - As before.	Low
<b>RISK</b>	<b>STATUS</b>	<b>APPROPRIATE MEASURES</b>	<b>RISK</b>
Responding to electors wishes to exercise their rights of inspection	Low	Self-Manage - As before.	Low
Meeting laid down timetables when responding to consultation invitation	Low	Self-Manage - As before.	Low
Meeting the requirements for Quality Town status or other accreditation	Low	Self-Manage - As before.	Low
Proper document control	Low	Self-Manage - As before.	Low
Register of members' interests and gifts and hospitality in place, complete and accurate and up to date	Low	Self-Manage - As before.	Low
Closure of business practices due to a pandemic outbreak or other major disaster	Low	Follow Government guidelines to ensure safe practices. Hold meetings through virtual mediums as/when agreed by Government. Ensure all Health & Safety measures are in place before re-opening venues.	Low

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Date Updated: 08/03/2024			