



TODMORDEN TOWN COUNCIL

## Financial Risk Register

Updated March 2026

### Contents

1. Purpose of this Register .....	3
2. Risk Register Assessment Matrix .....	3
3. Summary of Financial Risks & Risk Ratings - March 2026.....	7
4. Risk Register .....	8
Risk 1: Banking.....	8
Risk 2: Financial controls and records .....	9
Risk 3: Approval of Expenditure .....	10
Risk 4: Spend Over Budget .....	11
Risk 5: Investments .....	12
Risk 6: Borrowings.....	13
Risk 7: Cash Management .....	14
Risk 8: Accessibility to Funds.....	15
Risk 9: Adequacy of Precept .....	16
Risk 10: Reserves.....	17
Risk 11: Bank Reconciliation.....	18
Risk 12: Payments.....	19
Risk 13: Expenses .....	20
Risk 14: Payroll/Salaries/Pensions .....	21
Risk 15: VAT Criteria .....	22
Risk 16: VAT Not Processed .....	23
Risk 17: PAYE / NI not collected and paid over.....	24
Risk 18: Petty Cash .....	25

Risk 19: Cheque books / Internet banking .....	26
Risk 20: Transparency of grants and correct payments .....	27
Risk 21: Year-end Close Down Procedure .....	28
Risk 22: Annual Return (AGAR) .....	29
Risk 23: Fraud.....	30
Risk 24: Election Costs.....	31
Risk 25: Tender process .....	32
Risk 26: Value for Money.....	33
Risk 27: Failure of Outsourced Contractor .....	34
Risk 28: Inadequate Insurance Cover.....	35
Risk 29: Loss of Financial Records .....	36
Risk 30: Loss of Legal Records .....	37
Risk 31: Loss of Access to Banking .....	38
Risk 32: Loss or Damage to Physical Assets .....	39
Risk 33: Town Deal Fund clawback on collapse of project(s) .....	40
Risk 34: Wheelspark Damage.....	41
Risk 35: Damage to Council-owned land assets and structures.....	42
Risk 36: Loss of RFO capacity / continuity .....	43

## 1. Purpose of this Register

This Financial Risk Register identifies and evaluates the principal financial risks faced by Todmorden Town Council. It supports the Council's wider governance and assurance framework and should be read alongside the Corporate Risk Register.

The register focuses specifically on risks that could have a direct financial impact on the Council, including risks relating to budgeting, reserves, income, expenditure, treasury management, compliance, and financial controls.

The Financial Risk Register is reviewed regularly and formally considered by the Resources Committee as part of the Council's risk management arrangements.

## 2. Risk Register Assessment Matrix

### a) How risks are scored

Each risk in this Register is assessed using two simple questions:

- Impact: If this risk occurred, how serious would the consequences be?
- Likelihood: How likely is it that this risk will occur?

Both impact and likelihood are scored on a scale of 1 to 5.

The two scores are then multiplied together to give an overall risk score.

$$\text{Risk score} = \text{Impact} \times \text{Likelihood}$$

This allows risks to be assessed consistently and compared in a transparent way.

### Impact scores (how serious?)




Score	Meaning
1	Minimal impact – little disruption
2	Minor impact – short-term inconvenience
3	Moderate impact – noticeable disruption or cost
4	Major impact – significant disruption, financial or reputational damage
5	Severe impact – serious harm, major financial loss, legal or reputational consequences

### Likelihood scores (how likely?)

Score	Meaning
1	Very unlikely
2	Unlikely
3	Possible
4	Likely
5	Very likely

## b) What the risk scores mean

The resulting score places the risk into one of three broad categories:

Risk score	Category	Meaning
15–25	 <b>High</b>	Significant risk requiring active management
8–14	 <b>Medium</b>	Known and managed risk requiring monitoring
1–7	 <b>Low</b>	Acceptable risk managed through routine controls

It is normal and appropriate for a well-run Council to have a number of medium (amber) risks. A register showing only low risks would not be considered realistic.

## c) Inherent, Residual and Target risk

For each risk, three scores are shown:

- Inherent risk – the level of risk before controls are applied.
- Residual risk – the level of risk after existing controls
- Target risk – the level of risk the Council aims to achieve through further action, where appropriate

Not all risks can or should be reduced to “low”. Some risks are accepted at a medium level where further reduction would be disproportionate.

Impact											
Project	Service	Embarrassment/ Reputation	Legal Duties	Financial							
Complete failure of Financial Performance extreme delay - 6 months or more	Major Loss of Service	Adverse local Coverage/Officers/Member Resignations	Litigation/claims/fines up to £50k	Costing over £50,000 Up to 80% of budget	5	0	5	10	15	20	25
Partial failure of Financial Accountability extreme delay - 3 months or more	Loss of area of Service for a long period	Adverse local coverage	Litigation/claims/fines up to £25k	Costing between £30,000 and £50,000 Up to 60% of budget	4	0	4	8	12	16	20
Significant impact on Financial Performance or most of expected benefits fail/major delay - 2-3 months	Loss of area of Service for a short period	Adverse local Media coverage	Litigation/claims/fines up to £10k	Costing between £10,000 and £30,000 Up to 40% of budget	3	0	3	6	9	12	15
Adverse effect on Financial Performance slippage - 3 weeks - to 2 months	Major Effect on Service	Contained within Council	Litigation/claims/fines up to £5k	Costing between £5,000 and £10,000 Up to 25% of budget	2	0	2	4	6	8	10
					1	0	1	2	3	4	5

Minor impact Financial Performance / slight delay 1 to 2 weeks	Minor Effect on Service	Contained within Committee	Litigation/claims/fines up to £1k	Costing between £1,000 and £5,000 Up to 25% of budget							
Minimal impact to Financial Performance delay less than 1 week	No Effect on Service	Contained with individual member	Litigation/claims/fines up to £0.5k	Costing between less than £1,000. Up to 5% of budget	0	0	0	0	0	0	0
<b>Red</b>	High Risks	Must be managed as a matter of urgency				0	1	2	3	4	5
<b>Amber</b>	Medium Risks	Additional Action / Control required to reduce risk to Green or Blue			Likelihood	Almost Impossible	Very Unlikely	Unlikely <50/50 chance	Likely >50/50 chance	Very Likely	Virtually Certain
<b>Green</b>	Low Risks	Live with and monitor Optional reduction to Blue Risk				0-5%	5-25%	25-50%	50-75%	75-95%	95-100%
<b>Blue</b>	Insignificant Risk	No Action				Never before	Once in 5 10 years	Once in 3-5 years	Once a year	Few times a year	Regular occurrence

### 3. Summary of Financial Risks & Risk Ratings - March 2026

No	Category	Risk	Scope	Present	New controls
1	Financial	Banking	20	10	6
2	Financial	Financial controls and records	16	8	6
3	Financial	Approval of Expenditure	16	9	4
4	Financial	Spend over budget	16	6	4
5	Financial	Investments	20	9	6
6	Financial	Borrowings	20	9	6
7	Financial	Cash management	15	6	4
8	Financial	Accessibility to funds	12	6	3
9	Financial	Adequacy of Precept	16	6	2
10	Financial	Reserves	15	6	4
11	Financial	Bank Reconciliation	16	6	6
12	Financial	Payments	16	6	6
13	Financial	Expenses	9	6	6
14	Financial	Payroll/Salaries/Pensions	12	6	4
15	Financial	VAT criteria	9	6	3
16	Financial	VAT not processed	12	6	6
17	Financial	PAYE/NI not collected and paid over	12	6	3
18	Financial	Petty /Cash	9	4	4
19	Financial	Cheque books/Internet Banking	12	6	6
20	Financial	Transparency of Grants and correct payments	20	6	6
21	Financial	Year-end close down procedure	12	6	6
22	Financial	Annual Return	20	6	6
23	Financial	Fraud	25	6	6
24	Financial	Election Costs	9	9	6
25	Financial	Tender Process	16	6	6
26	Financial	Value for money	16	6	6
27	Financial	Failure of Outsourced Contractor	20	15	6
28	Financial	Inadequate Insurance cover	15	10	6
29	Financial	Loss of financial records	15	6	6
30	Financial	Loss of legal records	16	8	6
31	Financial	Loss of access to banking to council	20	8	6
32	Financial	Loss or damage to physical assets	15	8	6
33	Financial	Town deal fund clawbak	20	10	6
34	Financial	Wheelspark Damage	16	12	6
35	Financial	Damage to Council-owned land assets and structures	15	8	6
36	Financial	Loss of RFO Capacity/Continuity	15	8	6
<b>Summary of Risk by score</b>	<b>Number of Risks</b>		<b>Scope</b>	<b>Present</b>	<b>New controls</b>
	<b>High</b>		19	0	0
	<b>Medium</b>		15	12	0
	<b>Low</b>		0	22	34

## 4. Risk Register

### Risk 1: Banking

**Category:** Financial

**Risk Owner:** Responsible Financial Officer

#### Risk Description / Scope:

Failure of bank holding Council funds.

#### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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#### How the Risk is Managed at Present (F)

Fidelity Guarantee Insurance in place to a value of £2,000,000. The Council banks with Virgin Money, a mainstream UK bank.

#### Residual/Remaining Risk (G)

<b>Impact:</b>	5	<b>Likelihood:</b>	2	<b>Risk Score:</b>	10
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#### Tolerance Level of Risk (H)

**Level of Risk Acceptable? (Y/N)** Yes

**Why have you drawn this conclusion?** This conclusion is based on Virgin Money being a strong financial institution with no reliance on direct government support. Credit ratings include Fitch BBB+ (watch) and Moody's A2 (upper grade).

#### What Controls are to be Implemented (K)

To place surplus funds with other appropriate investment options in accordance with the Council's Treasury Management Policy.

**Date for Completion (L):** Ongoing

#### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 2: Financial controls and records

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Absence of effective financial and operational controls, increasing the risk of poor governance and weak financial management.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

An Internal Controls document is in place, setting out a full suite of financial and governance controls designed to reduce the risk of poor governance.

### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	This conclusion is based on the introduction of formal internal controls in March 2020, which have since been embedded into routine practice and are reviewed annually.
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### What Controls are to be Implemented (K)

Quarterly random sampling to check that controls are operating effectively, undertaken by a Committee representative.

<b>Date for Completion (L):</b>	Ongoing procedure
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Risk 3: Approval of Expenditure

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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#### Risk Description / Scope:

Inadequate controls to ensure that expenditure is within approved limits and incurred for a proper purpose.

#### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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#### How the Risk is Managed at Present (F)

Financial Regulations and Standing Orders are in place, supported by internal controls and monthly overall financial reporting to Council.

#### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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#### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	This conclusion is based on current processes which include regular monitoring of the Council's financial position and independent internal audit sign-off.

#### What Controls are to be Implemented (K)

More frequent random sampling of financial controls to reduce the risk of any adverse issues remaining undetected.

<b>Date for Completion (L):</b>	Ongoing
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#### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	2	<b>Risk Score:</b>	4
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## Risk 4: Spend Over Budget

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Insufficient limits or controls over expenditure, or weaknesses in the process for monitoring spend against approved budgets, leading to overspending.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

The Council uses the Omega accounting system. While the system permits overspend against individual budget lines, monthly summaries of the overall financial position provide management awareness, supported by detailed financial reports to the Resources Committee.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

### What Controls are to be Implemented (K)

The Rialtas Omega system was introduced in 2022. More frequent random sampling of purchase orders to reduce the risk of any adverse issues remaining undetected.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	2	<b>Risk Score:</b>	4
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## Risk 5: Investments

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Unauthorised placement of Council funds with disreputable or high-risk investment vehicles, resulting in potential financial loss or reputational damage.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

The Council's Reserves and Treasury Management Policy is in place to ensure that investments are safe and reliable. Bank balances and investment holdings are detailed as part of the monthly financial summary.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

More frequent random sampling of investment account balances to reduce the risk of any adverse issues remaining undetected.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 6: Borrowings

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Unauthorised borrowing, or excessive borrowing, placing an unsustainable financial burden on the Council.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

Any borrowing through the Public Works Loan Board (PWLB) requires agreement from YLCA prior to Secretary of State approval. Borrowing applications must be supported by formal Council resolutions and signed by the Chair.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

Consider introducing a gearing ratio to limit borrowing to a defined percentage of overall reserves, or to restrict total repayment (including interest) to an affordable level of expenditure.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 7: Cash Management

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Lack of effective control over the operation of bank accounts, with funds held unnecessarily in current accounts, increasing the risk of misappropriation and reducing opportunities to maximise interest income.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### How the Risk is Managed at Present (F)

Weekly scrutiny of bank accounts is undertaken, with surplus monies transferred to appropriate investment opportunities. Secure identification is required to access internet banking, and debit cards are locked away when not in use.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	Cash Management account established to reduce need to carry excessive balances in current account, thereby reducing opportunity for fraud.

### What Controls are to be Implemented (K)

No change proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	2	<b>Risk Score:</b>	4
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## Risk 8: Accessibility to Funds

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Failure to claim the precept for payment to the Council, or depletion of existing funds and reserves, leading to an inability to meet financial commitments and pay bills.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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### How the Risk is Managed at Present (F)

The precept call forms part of the annual budgeting process and, once issued, is checked for receipt by the paying authority. Receipt of the precept is verified in the Council's bank account in early April. Ongoing budget monitoring is undertaken to prevent overspend, and any agreed additional expenditure requires Full Council approval and must be accommodated within the Council's overall Reserves Policy.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	Internal controls are effective.

### What Controls are to be Implemented (K)

No change proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	1	<b>Risk Score:</b>	3
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## Risk 9: Adequacy of Precept

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Inadequacy of existing funds to meet committed obligations and to discharge the Council's statutory duties.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

A rolling three-year financial forecast is produced and agreed prior to setting the annual precept. Budgets are allocated through defined budget headings and specific budget codes, with ongoing monitoring to ensure close financial control and to prevent overspend against the overall budget.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	Continuing monitoring of budgets and cash position.

### What Controls are to be Implemented (K)

No change proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	1	<b>Risk Score:</b>	2
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## Risk 10: Reserves

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Insufficient reserves available to meet known commitments and unplanned major costs, potentially impacting the Council's financial resilience.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

The Council's Reserves and Treasury Management Policy is in place. Defined reserves are established and monitored, with regular monitoring of revenue forecasts and year-end position against an overall percentage limit of expenditure.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	Continuing monitoring of budgets and cash position.
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### What Controls are to be Implemented (K)

Increasing the percentage of General Reserves held in relation to expenditure.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	1	<b>Risk Score:</b>	2
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## Risk 11: Bank Reconciliation

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Inadequate checking of bank reconciliations and bank errors going undetected, leading to inaccurate financial records or potential loss.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

Monthly bank reconciliations are undertaken by the RFO, with external accountancy support. The Chair of the Resources Committee carries out independent checks every other month, and quarterly oversight is provided by the Resources Committee.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

### What Controls are to be Implemented (K)

No change to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 12: Payments

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Goods not supplied but invoiced; incorrect invoices; invoices remaining unpaid; or unauthorised payments being made.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

Separation of duties in line with the Council's Internal Controls. All invoices are checked for accuracy and receipt of goods/services prior to payment. A schedule of payments made is presented to Council each month.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

No change to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 13: Expenses

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Incorrect claiming of expenses by staff and/or Members, leading to inappropriate payments or reputational risk.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### How the Risk is Managed at Present (F)

All expense claims are signed off by the relevant line manager and/or an appropriate Member (for the Town Clerk), providing independent verification of legitimacy prior to payment.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

No change to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
---------------------------------	---------

### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 14: Payroll/Salaries/Pensions

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Incorrect payments to staff, HMRC, or pension provider; or failure of the payroll provider to run payroll, resulting in financial loss, compliance risk, or staff detriment.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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### How the Risk is Managed at Present (F)

An external accountancy service runs payroll after reviewing staff contracts and monthly confirmations of any additional payments (e.g., overtime / TOIL buy-back). Access to the HMRC payroll account enables reconciliation. In-house capability is available if required, supported by advice from the HR provider.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

### What Controls are to be Implemented (K)

No change to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	2	<b>Risk Score:</b>	4
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## Risk 15: VAT Criteria

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Changes in income generation leading to a change in VAT treatment (e.g., from Section 126 recovery to normal VAT status), with VAT not claimed where it should have been, resulting in potential clawback from HMRC

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### How the Risk is Managed at Present (F)

Monthly VAT returns are submitted using HMRC's online process, with routine reconciliation and payment of VAT claims.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

No change to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	1	<b>Risk Score:</b>	3
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**Risk 16: VAT Not Processed**

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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**Risk Description / Scope:**

VAT returns are not processed and VAT is not reclaimed, resulting in cash-flow impact and potential non-compliance.

**Inherent/Fundamental Risk (E) (before controls)**

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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**How the Risk is Managed at Present (F)**

Monthly VAT returns are processed. The balance sheet is presented to Resources Committee and Full Council at each meeting to identify any outstanding VAT elements.

**Residual/Remaining Risk (G)**

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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**Tolerance Level of Risk (H)**

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

**What Controls are to be Implemented (K)**

No change to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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**Target Risk (M)**

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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**Risk 17: PAYE / NI not collected and paid over**

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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**Risk Description / Scope:**

Incorrect payments to HMRC, or failure of the external accountancy service to run payroll, resulting in PAYE/NI not being collected and paid over correctly.

**Inherent/Fundamental Risk (E) (before controls)**

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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**How the Risk is Managed at Present (F)**

The external accountancy service runs payroll and advises on PAYE/NI payments due. Access to the HMRC payroll account enables reconciliation. In-house capability is available if required, supported by advice from the HR provider.

**Residual/Remaining Risk (G)**

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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**Tolerance Level of Risk (H)**

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

**What Controls are to be Implemented (K)**

Quarterly review of HMRC records.

<b>Date for Completion (L):</b>	Ongoing
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**Target Risk (M)**

<b>Impact:</b>	3	<b>Likelihood:</b>	1	<b>Risk Score:</b>	3
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## Risk 18: Petty Cash

**Category:** Financial

**Risk Owner:** Responsible Financial Officer

### Risk Description / Scope:

Inadequate control over emergency petty cash, leading to payments not being properly accounted for or potential loss through error or dishonesty.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### How the Risk is Managed at Present (F)

The Council does not operate a general petty cash float. A £250 emergency petty cash float is held for flood response, kept in a sealed envelope in the safe. The float is checked alongside the bank reconciliations every other month by the RFO or Town Clerk and the Chair of Resources/appropriate Councillor. If used during the year, a reconciliation is maintained and reviewed by the Chair of Resources.

### Residual/Remaining Risk (G)

<b>Impact:</b>	2	<b>Likelihood:</b>	2	<b>Risk Score:</b>	4
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### Tolerance Level of Risk (H)

**Level of Risk Acceptable? (Y/N)** Yes

**Why have you drawn this conclusion?**

### What Controls are to be Implemented (K)

No change to existing procedure proposed.

**Date for Completion (L):** Ongoing

### Target Risk (M)

<b>Impact:</b>	2	<b>Likelihood:</b>	2	<b>Risk Score:</b>	4
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## Risk 19: Cheque books / Internet banking

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Loss of cheque books or fraudulent use of banking facilities, resulting in unauthorised payments or financial loss.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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### How the Risk is Managed at Present (F)

Cheque books are locked in the safe. Payments are made primarily by internet banking/BACS. Account signing instructions require two signatories. Bank accounts are reviewed at least weekly.

### Residual/Remaining Risk (G)

<b>Impact:</b>	2	<b>Likelihood:</b>	3	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

Internet banking restricted by password-controlled access.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 20: Transparency of grants and correct payments

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Grants awarded without Member agreement; lack of control over amounts awarded; or grants paid for purposes not approved by Council (ultra vires), resulting in financial and governance risk.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

Grants Policy and published criteria are in place. All awards require Member approval in line with Council decision-making processes.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

No changes to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 21: Year-end Close Down Procedure

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Year-end accounts are not closed down properly, leading to incorrect balances forming part of the annual return and the Council's financial position not being reconciled and accurately reported.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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### How the Risk is Managed at Present (F)

A year-end closedown schedule is prepared annually to ensure the process is followed. Checks are carried out by the external accountant to ensure year-end accounting entries (including debtors and creditors carry-overs) are processed correctly and that all balances are fully reconciled.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

No changes to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 22: Annual Return (AGAR)

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

The AGAR is not completed correctly and/or not submitted to Council for approval or to the internal and external auditors on time, leading to adverse audit opinion and potential government intervention.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

Arrangements are in place with the Internal Auditor to review the AGAR prior to submission. The AGAR is presented to Full Council for approval and signed by the Chair before submission to external audit.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

No changes to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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**Risk 23: Fraud****Category:** Financial**Risk Owner:** Responsible Financial Officer**Risk Description / Scope:**

Inadequate checks across financial activity and insufficient controls over payments, increasing the risk of fraud or financial loss.

**Inherent/Fundamental Risk (E) (before controls)**

<b>Impact:</b>	5	<b>Likelihood:</b>	5	<b>Risk Score:</b>	25
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**How the Risk is Managed at Present (F)**

Fidelity Guarantee Insurance in place to a value of £2 million. The Council operates a strong control environment including Internal Controls, Financial Regulations, Standing Orders, regular bank reconciliations, separation of duties, and use of the Financial Risk Register to guide management of financial risk.

**Residual/Remaining Risk (G)**

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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**Tolerance Level of Risk (H)**

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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**What Controls are to be Implemented (K)**

No changes to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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**Target Risk (M)**

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 24: Election Costs

**Category:** Financial

**Risk Owner:** Responsible Financial Officer

### Risk Description / Scope:

Insufficient financial provision to meet the cost of elections, including unplanned by-elections arising from a declaration of vacancy.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### How the Risk is Managed at Present (F)

The Council maintains an Elections Earmarked Reserve (EMR) which is contributed to annually. Recent experience shows election costs have increased: the last all-out election cost £20,722.56 and a single-seat by-election in March 2025 cost £6,283. The next all-out election is due in May 2027.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	3	<b>Risk Score:</b>	9
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### Tolerance Level of Risk (H)

**Level of Risk Acceptable? (Y/N)** Yes

**Why have you drawn this conclusion?**

### What Controls are to be Implemented (K)

Continue to maintain and review the Elections EMR over the four-year electoral cycle to ensure it remains sufficient to meet the full cost of an all-out election, with provision for unplanned by-elections as required.

**Date for Completion (L):** Ongoing

### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 25: Tender process

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Work awarded inappropriately or subject to officer/member influence; failure to obtain best value; procurement procedures not followed for significant contracts; risk of fraud.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

Standing Orders and Financial Regulations are followed, with limits and Schemes of Delegation applied. Tender documentation is issued, tenders are opened by Members and the RFO/Town Clerk, and contracts are awarded following quality/price assessment. Tenders are advertised on the Council website and via Contracts Finder.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	Compliance with Standing Orders and Financial Regulations. No challenges received to tender outcomes and transparent process followed.
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### What Controls are to be Implemented (K)

No changes to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 26: Value for Money

**Category:** Financial

**Risk Owner:** Responsible Financial Officer

### Risk Description / Scope:

Failure to seek appropriate quotations or tenders, or award of business without transparency or adequate assessment of value for money, leading to poor use of public funds and potential challenge.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

Standing Orders, Financial Regulations and the Scheme of Delegation are applied to determine when quotations or tenders are required. Historical pricing records are used for comparison, and higher-value items are procured through a formal tender process.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

**Level of Risk Acceptable? (Y/N)** Yes

**Why have you drawn this conclusion?**

### What Controls are to be Implemented (K)

No changes to existing arrangements proposed.

**Date for Completion (L):** Ongoing

### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 27: Failure of Outsourced Contractor

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Failure of an outsourced contractor, resulting in projects being delayed or cancelled, with associated financial consequences and potential additional costs to the Council.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

The Council uses approved or recognised contractors within their field, supported by references. The majority of contracts are low value and placed with known or recommended contractors. Higher-value contracts use contractors recommended by Calderdale MBC from their approved supplier lists and/or are procured through a formal tender process.

### Residual/Remaining Risk (G)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	For higher-value contracts, consider requiring performance bonds or similar financial security backed by banks.
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### What Controls are to be Implemented (K)

No changes to existing arrangements proposed.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 28: Inadequate Insurance Cover

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Insufficient insurance cover to meet public liability claims, losses through theft, or costs arising from Employment Tribunal claims, leading to unplanned financial exposure.

Insurance cover includes Council-owned land assets and structures (see also Risk 35 – Damage to Council-owned land assets).

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

The Council uses an industry-standard insurance provider (Zurich). Insurance cover is reviewed annually and the schedule is presented to Council for approval.

### Residual/Remaining Risk (G)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

Regular review of asset values to ensure adequate sums insured (e.g. regalia last valued in 2025).

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 29: Loss of Financial Records

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Failure to retain financial records, potentially leading to censure, withdrawal of administration rights, HMRC penalties, and reputational damage.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### How the Risk is Managed at Present (F)

Accounting records are held on system and backed up. Invoices and some supporting documentation are currently paper-based and stored in locked cabinets.

### Residual/Remaining Risk (G)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	No record of loss of records. IT system is backed up.
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### What Controls are to be Implemented (K)

Consider scanning and storing digital copies of key financial records to reduce reliance on paper records vulnerable to fire or theft.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Risk 30: Loss of Legal Records

**Category:** Financial

**Risk Owner:** Responsible Financial Officer

#### Risk Description / Scope:

Failure to retain legal records (including property-related documents) could lead to financial loss, inability to enforce legal rights, and reputational damage.

#### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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#### How the Risk is Managed at Present (F)

Property-related legal documents are kept in a fireproof safe.

#### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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#### Tolerance Level of Risk (H)

**Level of Risk Acceptable? (Y/N)** Yes

**Why have you drawn this conclusion?**

#### What Controls are to be Implemented (K)

Scanned copies of key legal documents to be retained securely on file (in line with IT backup arrangements).

**Date for Completion (L):** Ongoing

#### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 31: Loss of Access to Banking

**Category:** Financial

**Risk Owner:** Responsible Financial Officer

### Risk Description / Scope:

Loss of access to the Council's bank accounts, preventing the conduct of day-to-day financial transactions and operations.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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### How the Risk is Managed at Present (F)

The Council banks with a major UK provider (Virgin Money), providing resilience and continuity of service.

### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

Consider appointing a secondary banking provider, subject to cost-effectiveness and operational need, to provide contingency in the event of loss of access to the primary bank.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 32: Loss or Damage to Physical Assets

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer
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### Risk Description / Scope:

Loss of, or damage to, buildings or equipment, which would have a serious impact on immediate service delivery if appropriate controls or agreements are not in place.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### How the Risk is Managed at Present (F)

The Council occupies office accommodation within Todmorden Town Hall, which is owned by Calderdale MBC. The Council is responsible for the Bandstand and Pavilion at Centre Vale Park, including fixtures, fittings and contents. Equipment and assets are insured for replacement.

This risk should be read in conjunction with Risk 35 (Damage to Council-owned land assets), which addresses deterioration and failure of land-based assets and structures.

### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
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<b>Why have you drawn this conclusion?</b>	
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### What Controls are to be Implemented (K)

- Ensure the Council's insurance policy adequately covers fixtures, fittings and contents at the Bandstand and Pavilion.
- Consider holding a small amount of spare IT equipment to support business continuity in the event of loss or damage.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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### Risk 33: Town Deal Fund clawback on collapse of project(s)

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer (RFO) (with operational management by the Project Fund Manager – PFM)
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#### Risk Description / Scope:

Failure of individual Town Deal-funded projects prior to practical completion and handover, leading to partial delivery and potential recovery (clawback) of grant funding already spent, creating financial exposure and potential litigation risk.

#### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	4	<b>Risk Score:</b>	20
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#### How the Risk is Managed at Present (F)

Agreement obtained from Calderdale MBC that clawback will not be sought should individual projects fail, subject to compliance with agreed conditions. A named Project Manager oversees delivery and compliance for each project. Projects are approaching practical completion and handover, which will materially reduce this risk once completed.

#### Residual/Remaining Risk (G)

<b>Impact:</b>	5	<b>Likelihood:</b>	2	<b>Risk Score:</b>	10
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#### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

#### What Controls are to be Implemented (K)

Confirm formal handover and practical completion sign-off for each Town Deal project and retain completion certificates and CMBC confirmation on file to evidence that clawback provisions no longer apply.

**Date for Completion (L):** Ongoing

#### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 34: Wheelspark Damage

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer (RFO)
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### Risk Description / Scope:

Failure of construction and/or vandalism leading to damage to the Wheelspark and the need for extensive remedial works, resulting in financial cost, service disruption and reputational impact.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	4	<b>Likelihood:</b>	4	<b>Risk Score:</b>	16
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### How the Risk is Managed at Present (F)

- 25-year construction guarantee in place from the contractor.
- All-risk insurance cover taken out for the Wheelspark asset.
- Lease terms include provision for return/termination if there are future construction failures and recovery of costs from contractors is not possible.

### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	3	<b>Risk Score:</b>	12
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	

### What Controls are to be Implemented (K)

- Quarterly inspections to identify any defects, damage or emerging issues at an early stage.
- Record inspection outcomes and any remedial actions taken.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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## Risk 35: Damage to Council-owned land assets and structures

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer (RFO)
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### Risk Description / Scope:

Damage to, or failure of, Council-owned land assets and structures (e.g. Patmos Gardens wall, Lobb Mill Picnic Site, Vale Land Community Garden), leading to unplanned repair costs, health and safety risks, service disruption and reputational damage.

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### How the Risk is Managed at Present (F)

Land assets are recorded on the Council's Asset Register and are subject to periodic visual inspections by officers. Issues are reported as they arise and remedial works are commissioned where required. Insurance is in place for insured risks.

This risk should be read alongside Risk 28 (Inadequate insurance cover) and Risk 32 (Loss or damage to physical assets).

### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	This conclusion is based on the low frequency of major structural failures to date and the Council's ability to respond to issues as they arise.

### What Controls are to be Implemented (K)

Tender the Grounds Maintenance Contract to strengthen routine inspection, reporting and early identification of deterioration or safety risks relating to Council-owned land assets and structures, with clear escalation procedures for defects requiring professional assessment.

<b>Date for Completion (L):</b>	Ongoing
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### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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## Risk 36: Loss of RFO capacity / continuity

<b>Category:</b>	Financial	<b>Risk Owner:</b>	Responsible Financial Officer (RFO)
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### Risk Description / Scope:

Short-term or long-term absence of the Responsible Financial Officer (RFO) due to sickness, resignation, or other unforeseen circumstances leading to:

- Delay or failure in processing payments and payroll
- Delays to bank reconciliations, VAT returns, AGAR, and financial reporting
- Increased risk of error or non-compliance
- Pressure on remaining officers and governance risk

### Inherent/Fundamental Risk (E) (before controls)

<b>Impact:</b>	5	<b>Likelihood:</b>	3	<b>Risk Score:</b>	15
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### How the Risk is Managed at Present (F)

- Town Clerk has financial system access and can provide short-term cover.
- External accountancy support in place and familiar with TTC systems.
- Financial Regulations, Internal Controls, and documented processes in place.
- Key financial processes (bank recs, VAT, payroll liaison, AGAR timetable) documented.
- Omega financial system in use with audit trail and reporting.

### Residual/Remaining Risk (G)

<b>Impact:</b>	4	<b>Likelihood:</b>	2	<b>Risk Score:</b>	8
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### Tolerance Level of Risk (H)

<b>Level of Risk Acceptable? (Y/N)</b>	Yes
<b>Why have you drawn this conclusion?</b>	Succession and resilience arrangements are in place through external accountancy support and shared system access, reducing the risk of operational failure if the RFO is unavailable.

### What Controls are to be Implemented (K)

- Create and maintain a short "RFO Business Continuity Pack" (step-by-step checklist for: payments, bank recs, VAT, payroll liaison, AGAR timetable).
- Ensure critical passwords/access are held securely in line with policy.
- Annual handover / resilience test (e.g. one process run by TC once a year).

**Date for Completion (L):** Ongoing

### Target Risk (M)

<b>Impact:</b>	3	<b>Likelihood:</b>	2	<b>Risk Score:</b>	6
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