

NEEDHAM MARKET TOWN COUNCIL

Risk Management Policy 2025/26

Needham Market Town Council is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are maintained at an acceptable level. Any action that is felt necessary will be taken by Needham Market Town Council.

The Clerk (and, when appropriate, the Responsible Financial Officer) will review risks on a regular basis, including any newly identified risks, and will report to Council. The review will include identification of any unacceptable levels of risk.

The Practitioners Guide 2025, Governance and Accountability for Smaller Authorities in England Assertion gives guidance on risk management and a part extract is included below.

AGS Assertion 5 — Risk management

5.85. In order to warrant a positive response to this assertion, an authority must have appropriate arrangements in place. As a minimum, an authority must identify and assess risks and address those identified risks by mitigating or managing them.

5.86. Appropriate arrangements will vary and need to be proportionate to the size and nature of the operations of an authority.

5.87. Smaller authorities should identify both financial and operational risks. The record should include controls/ mitigation and be formally reported and considered by the authority annually.

5.88. Larger authorities are likely to adopt more extensive procedures, which, whilst reflecting the basic principles above, may utilise a risk assessment matrix and undertake more extensive risk arrangements (e.g. a working party to consider risks) and/or a full risk register.

5.89. Risks are uncertain events or conditions (not just financial) that if they occur, will affect the authority's ability to achieve its objectives. The authority generally, and members individually are responsible for risk management.

[Practitioners-Guide-2025.pdf](#)

Members should, therefore:

- (a) Take steps to identify key risks facing the Council
- (b) Evaluate the potential consequences to the Council if an event identified as a risk takes place
- (c) Decide upon appropriate measures to avoid, reduce or control the risk or its consequences.
- (d) Record any conclusions or decisions reached.

To identify the risks facing a council, the Guidance recommends beginning by grouping the three main types of decisions that need to be taken, in the following areas:

- (1) Areas where there may be scope to use insurance to help manage risk
- (2) Areas where there may be scope to work with others to help manage risk
- (3) Areas where there may be need to self-managed risk.

AREAS WHERE THERE MAY BE SCOPE TO USE INSURANCE TO HELP MANAGE RISK

1 RISK IDENTIFICATION

Insurance cover for risk is the most common approach to certain types of inherent risk:

- (a) Protection of physical assets: *All physical assets are insured.*
- (b) Public Liability: *The Council has a Public Liability Insurance of £10,000,000. It has also personal accident liability cover for employees and members under the above policy.*
- (c) Employers Liability: *The Council has an Employers Liability Insurance of £10,000,000*
- (d) Loss of cash: Insured to the sum of £ 2,000
- (e) Fidelity guarantee: Insured to the sum of £ 255,000
- (f) Libel and Slander: Insured to the sum of £1,000,000
- (h) Office equipment: Insured to the value of £17,166
- (i) Personal accident: Insured to standard contingencies

2 INTERNAL CONTROLS

- (a) Maintain an up-to-date register of Assets and Investments:
The Asset Register is reviewed annually by the Clerk and Council Members receive an updated list when there are changes.
- (b) Regular maintenance for physical assets:
Physical assets owned by the Council, including its land and buildings are monitored by The Clerk and the Council's Community & Assets Committee, maintained by Council staff and/or contracted third parties as appropriate.
- (c) Annual Review of risk and the adequacy and robustness of insurance cover:
The Clerk reviews the insurance cover annually, and updates cover as required. Council carries out an annual review of the adequacy of its insurance arrangements.

3 INTERNAL AUDIT ASSURANCE

- (a) Review of internal controls in place and their documentation:
Internal controls are reviewed as necessary by the Clerk, and the Independent Internal Auditor. All Audit Reports and recommendations are submitted to Council. Council reviews the effectiveness of its audit arrangements on an annual basis.

AREAS WHERE THERE MAY BE SCOPE TO WORK WITH OTHERS TO HELP MANAGE RISK

1 RISK IDENTIFICATION

- (a) Security for vulnerable buildings, amenities or equipment:
The Council's office and equipment is insured and Council equipment secure.
- (b) Banking Services:
Reviewed not less than every 4 years by Council. Council processes payments electronically where possible and the Town Clerk and the Responsible Finance Officer are delegated the authority to effect such

payments, subject to Council's authorised signatories confirming the accuracy of these payments by countersigning all relevant invoices and payment schedules. All cheques require two Councillor signatures. Council reviews all payments. Regular reports (income/expenditure/budget and bank reconciliation) made to Finance & Governance Committee.

- (c) Professional services, contractors etc.:

The Council endeavours to ensure that wherever possible it has the opportunity to select (from several) providers of any professional service it requires.

2 INTERNAL CONTROLS

- (a) Standing Orders and Financial Regulations dealing with the award of contracts for services or purchases:

The Council has Standing Orders and Financial Regulations that govern the awarding of contracts/purchases. These are reviewed and approved by Council annually.

- (b) Arrangements to detect and deter fraud and/or corruption:

Invoices are subjected to scrutiny by both the Clerk and the payment signatories. Variation in salary payments is fully justified before payment. Expenses are only approved after submission of a fully detailed claim form.

- (c) Regular bank reconciliations, independently reviewed: *Bank statements are received monthly and are reconciled by the Responsible Finance Officer and checked by the Clerk. A quarterly bank reconciliation is undertaken by the Chairperson of the Governance & Finance Committee.*

3 INTERNAL AUDIT ASSURANCE

- (a) Review of internal controls in place and their documentation:
Recommendations from the Clerk, Governance & Finance Committee and the Internal Auditor are submitted to Council.
- (b) Review of minutes to ensure legal powers are available and the basis of the powers recorded and correctly applied:
The minutes of meetings are also reviewed during the internal audit process.
- (c) Review of arrangements to prevent and detect fraud and corruption:
The use of Standing Orders, Finance Regulations, internal controls and consideration by Council are all methods which contribute to prevent and deter fraud and corruption.

AREAS WHERE THERE MAY BE A NEED TO SELF-MANAGE RISK

1 RISK IDENTIFICATION

- (a) Keeping proper financial records in accordance with statutory regulations:
Financial records are kept in accordance with the statutory requirements and are reviewed as part of the Audit process
- (b) Ensuring all business activities are within legal powers applicable to Parish Councils:
- (c) Complying with restrictions on borrowing: *There is currently no borrowing.*
- (d) Ensuring that all requirements are met under employment law and Inland Revenue regulations:
Inland Revenue calculations are made by the Payroll Software system and are subject to the audit process. Salary forecasts are undertaken as part of the budget setting process.
- (e) Ensuring all requirements are met under Customs and Excise regulations:
All such requirements are met by the Clerk and the Internal Audit process
- (f) Ensuring the adequacy of the annual precept within sound budgeting arrangements:
The budget is reviewed and approved by Council annually.
- (g) Ensuring the proper use of funds granted to local community bodies made in accordance with the General Power of Competence (Localism Act 2011 Part 1, Chapter 1, ss 1-8) as brought in to force by SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012: Grant applications are considered by Council within the parameters of its own Grants Policy
Grant applications are considered by Council within the parameters of the grants policy.
- (h) Proper, timely and accurate reporting of the Council business in the minutes:
Council minutes are distributed to Members in advance of the subsequent meeting and verified as a correct record as one of the first items of business of that meeting and signed at the meeting. Failure to do so is recorded. Any Council Committee and Working Party Minutes/Notes are presented to full Council for information.
- (i) Responding to electors wishing to exercise their rights of inspection:
- (j) Register of Members' Interests and Gifts and Hospitality in place, complete, accurate and up to date:
The Members' Register of Interest is held by the Monitoring Officer at Mid Suffolk District Council with a link to this via the Town Council's own website. It is the responsibility of Members to notify the Clerk or Monitoring Officer of

any gifts or hospitality in accordance with the Suffolk Local Code of Conduct or any changes to their interests. The registers are reviewed annually.

2 INTERNAL CONTROLS

- (a) Regular scrutiny of financial records and proper arrangements for the approval of Expenditure:
Payment schedules are submitted to each full Council meeting for scrutiny.
- (b) Regular returns to the Inland Revenue; contracts of employment and job descriptions for all staff; systems of updating records for any changes in relevant legislation reviewed by Council:
Inland Revenue Returns are completed and submitted by the Clerk. Salaries are calculated by the Payroll Software System and are subject to internal audit. Staffing issues are referred to the Employment Committee for recommendation to Council. The Council has adopted personnel procedures.
- (c) Regular returns of VAT:
The Responsible Finance Officer is responsible for completion and submission of VAT returns and these are submitted at least quarterly.
- (d) Developing system of performance measurement:
In accordance with legislation, staff appraisal for the Town Clerk and the Responsible Finance Officer will be undertaken annually by the Employment Committee.
- (e) Minutes properly numbered with a master copy kept in safekeeping:
All minutes are correctly numbered. These are loose leaf and signed. Original copies are kept in files in the Town Council office. They are also kept as computer files which are backed up locally and remotely. Minutes are also available from the Council's website.
- (f) Procedures to deal with enquiries from the public:
Calls, letters and e-mails are dealt with as soon as practicable with an aim to respond within 5 working days, unless referred to Council. In such cases, acknowledgement of the enquiry is made.
- (g) Documented procedures for document receipt, circulation, response, handling and filing:
The Clerk receives all mail. Mail for action is dealt with accordingly and filed when actions are completed. All mail is date stamped upon receipt.
- (h) Adoption of Codes of Conduct for members:
The Council has adopted the Suffolk Local Code of Conduct from within MSDC constitution.
[MSDC Constitution-Part 4-b Members Code of Conduct adopted March 2022.pdf](#) *A copy is displayed on the Council's website and each Member has been given a copy.*

3 INTERNAL AUDIT ASSURANCE

- (a) Review of internal controls in place and their documentation:
Internal controls are reviewed as necessary by the Clerk, Chairman and Internal Auditor. Recommendations are submitted to Council.
- (b) Computer data safety:
All necessary procedures and documents which are computerised are continually backed up to cloud storage.

Policy Approved:

Signed:

Review Body: Governance & Finance Committee recommendation to Council

Review Period: Annually

Next Review: May 2026

Governance & Financial Risk Register

INCOME

Topic	Risk Identified	H/M/L	Management of Risk
Precept	Not submitted	L	Full TC Minute – RFO follow up
	Not paid by District Council	L	Check & Report to Governance & Finance Committee
	Adequacy of precept	M	Monthly review of budget to actual
Financial Loss	Theft/Dishonesty	L	Cash kept to an absolute minimum and promptly banked. On-line banking and regular scrutiny/reporting to validate accounts. Insurance cover review ensure adequacy of Fidelity guarantee insurance
Banking and Investments	Loss of Interest Loss of funds	L	Interest Rates checked periodically Adverse to risk approach taken to deposits/investments
Grants – District	Claims procedure	L	Clerk/RFO check
	Receipt of grant when due	M	Check quarterly and report to Governance & Finance Committee

EXPENDITURE

Topic	Risk Identified	H/M/L	Management of Risk
Salaries	Wrong salary paid	M	Check to contract
	Wrong hours paid	M	Check to timesheet/contract
	Wrong pay rate	M	Check to contract
	Wrong deductions – NI, Income Tax	M	Check to PAYE Calculations
Supplies and payments	Goods not supplied to TC	M	Order system/follow up with suppliers
	Invoice incorrectly calculated	L	Check calculations
	Online or cheque payment is excessive	L	Verification process for online payments and cheque signatory initials stub & invoice
	Online or cheque payable to wrong party	L	Signatory initials stub & invoice
	Stock loss	L	Minimal stock only of mostly low cost items – visible monitoring
Grants and Support	Power to pay	M	Minute Power
	Agreement of Council to pay	L	Minute
	Conditions agreed	L	Apply Council policy and precedence
	Payment	M	Use payment process and checks
	Follow up verification	M	RFO check and consider budget
Election Costs	Invoice at agreed rate	L	RFO check and consider budget
VAT irrecoverable	VAT analysis	M	All items in cash book lists
	Charged on sales	M	Consider quarterly
	Charged on purchases	L	Consider all items per cash book lists
	Partial exemption applies?	M	Consider quarterly
	Claimed within time limits	M	Agree returns submitted
Reserves – General	Adequacy	L	Consider at Budget setting
Reserves – Earmarked	Adequacy	L	Consider at Budget and Final a/cs
	Earmarked or Contingent liability	L	Consider at Budget and Final a/cs

Adequacy of precept	Ensuring adequacy of annual precept	L	Committee Chairpersons carry out regular budget monitoring reviews in conjunction with RFO. Budget cycle pre-empts full Council approval with precept calculated based on budget requirement and Council Tax base.
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EXPENDITURE

Topic	Risk Identified	H/M/L	Management of Risk
Assets	Loss, damage etc	M	Annual inspection, update insurance and asset register
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance annually
Staff	Loss of key personnel (Clerk and RFO)	M	Hours, health, stress, training management
		L	Long term sickness, early departure
	Fraud by staff	L	Fidelity Guarantee value
Loss	Consequential loss due to critical damage or third-party performance	L	Insurance cover review adequacy
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Annual maintenance inspection
Borrowing/lending	Adequacy of finances to be able to repay loans	M	Financial review and cash flow forecasting monthly
Legal Powers	Illegal activity or payment	M	RFO/Clerk
Financial Records	Inadequate records	L	RFO/Clerk check quarterly and regular internal audit
Minutes	Accurate and legal	L	Review at following meeting
Members interests	Conflict of interest	M	Update Declarations of Interest Register

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Minutes	Accurate and legal	L	Review at following meeting
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Community & Assets Risk Register

Topic	Risk Identified	H/M/L	Management of Risk
Assets	Loss, damage etc	M	Annual inspection, update insurance and asset register
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance annually
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Annual maintenance inspection
Safety of play equipment on Crowley Park	Play equipment becoming unsafe and causing a potential hazard to users through lack of routine maintenance, mechanical failure or vandalism.	H	Regular visual check by Parkkeeper. Annual RoSPA inspection and report. Equipment sourced from reputable suppliers. Provision for Parkkeeper to take damaged equipment out of service (Padlocks, chains, warning notices available). Public liability insurance in place.
Incident on play equipment and overall safety in Crowley Park	Incident causing injury whilst using play equipment or playing sport on the park.	M	Risk of incidents mitigated by regular checks by Parkkeeper of equipment and park. Annual inspection by RoSPA. Play equipment taken out of service if damaged. Park Users Group members have their own response to sports injuries. Access for emergency services in place. Public liability insurance in place.
Fire and electrical safety in TC office and Crowley Park Pavilion	Fire and electrical hazard within Town Council Office and Crowley Park Pavilion.	M	Electrical system upgraded to increase capacity in line with user requirements. Fire escapes kept clear and well lit. Fire extinguishers maintained under annual contract. Health & Safety Policy in place. Public and employers' liability insurance in place.

Public Car Park, Barretts Lane	Injury to member of the public whilst using public car park on Barretts Lane.	L	Small site surrounding Council's public toilet building. Site visited daily by Council's Toilet Custodian. Public liability insurances in place
Safety of members of public during Town Council organised events.	Injury or illness to members of the public whilst attending Town Council organised events.	M	Each event to have a specific risk assessment. This assessment will take account of, but not be limited to: Expected number of visitors Environments street closures Potential hazards to public First aid facility available Amount of supervision required by Council (or others)
Safety of street furniture.	Injury to member of the public caused or involving Town council owned street furniture including grit bins, bus shelters, notice boards, signs and street benches. This could be caused by poor maintenance, adverse weather damage, accidental damage or vandalism.	M	Town Council owned street furniture recorded detailing type, location and inspection frequency. Regular checks on street furniture and facility for general public to report damage or faults. Regular maintenance review procedure followed. Checks by Town Council after maintenance works have been carried out. Public liability insurance in place.
Security of sensitive information	Personal and sensitive information concerning Council staff and Councillors being obtained by third parties (third party to include other Councillors and Council staff.)	L	Holding of personal and sensitive information kept to a minimum. All sensitive information to be kept on security protected databases on the Council's computer system and/or within secured storage in the Town Council office. Access restricted to Clerk and RFO.

General Risk Register

Security of sensitive information	Personal and sensitive information concerning Council staff and Councillors being obtained by third parties (third party to include other Councillors and Council staff.)	L	Holding of personal and sensitive information kept to a minimum. All sensitive information to be kept on security protected databases on the Council's computer system and/or within secured storage in the Town Council office. Access restricted to Clerk and RFO.
IT security and Data Protection	Loss or corruption of information held on Town Council IT equipment caused by equipment failure, Virus or malware infection, power surge or other unexpected failure.	M	Up to date virus, malware and firewall protection; systems/data backup to Cloud. Equipment maintained as necessary and under contract. Local IT experts available to assist with data / hardware recovery. Procedure in place to enable emergency expenditure to assist with rapid repairs. Training for staff and control of access to IT equipment, as necessary.
Insurance / Insurance of council assets	Uninsured loss to NMTC caused by injury or damage to staff / member of the public / users of Town Council property / damage caused to Town Council Property and assets.	M	Annual review of main insurance includes adequacy of cover, contract periods and quotations (when appropriate) Insurance cover sought and procured to cover one-off risks (Projects/Events), as necessary.
Business continuity	Continuation of Town Council business after loss of use of Town Council offices through unexpected circumstances. Loss of key staff through unexpected circumstances.	M	Council's computing systems and data retained in the Cloud. Local IT support available in the case of loss of connection. Business could be continued off-site. Support available to cover key staff (SALC Locum). Resilience to loss of key staff has been tested and business has been maintained using support available.
Safety and Welfare of Volunteers and Sub-Contractors engaged by the Town Council.	Personal safety and welfare of Volunteers, Town Council Sub-Contractors and losses caused by Sub-Contractors.	L	Risk assessment and method statements required for all works carried out for TC by contractors, where appropriate. Contractors Public Liability insurance checked, when appropriate. One-off insurance covered procured where general insurance policy cover is inadequate.

<p>Safety and Welfare of Council staff and Councillors</p>	<p>Personal safety and welfare of Town Council staff / Councillors / official volunteers</p>	<p>L</p>	<p>Safety and welfare of Council staff and Councillors at meetings risk assessed, as necessary. Established Control of Substances Hazardous to Health (COSHH Regulations). Office First Aid kit kept and maintained. Accident book maintained.</p>
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