Denbigh Town Council
Risk Assessment 2026

Reviewed: 29.06.2026

Identified Risk	Potential Consequence of Risk	Impact (H/M/L)	Likelihood (H/M/L)	Controls in Place / Required Action	Required Action
Loss or damage of physical assets owned by the Council	Assets unable to be used. Expense of replacing assets.	H	M	An up-to-date register of assets. Adequate insurance cover.	Additional assets notified to insurance company.
Damage to third-party property or individuals through Council services or amenities	Risk of litigation should third-party property become injured or damaged.	H	L	An up-to-date register of assets. Public liability insurance. Safety inspections of play areas.	Essential maintenance work to be carried out in areas.
Loss of cash through theft or dishonesty	The Council may be unable to provide services. Damage to reputation of the Council.	L	L	Monthly bank reconciliation to be carried out. Signed off by Mayor. Fidelity Guarantee up to £250,000.	Internal & external audit to be carried out annually.
Banking arrangements	Loss of income through incurring charges.	L	L	Monthly bank reconciliation to be monitored each month and balances transferred between accounts when required.	Monthly reconciliation and control of banking.

Keeping proper financial records in accordance with statutory requirements	Qualification of accounts by external auditor.	L	L	Receipts and payments approved by Town Council.	Audit trail kept.
Ensuring all business activities are within legal powers applicable to local councils	Possible external audit challenge and public interest report. Increased fees and bad publicity for the Council.	H	L	All payments authorised by the Council and approved by three approved signatories.	Payments reviewed and authorised by Council each month.
Ensuring all requirements are met under employment law and HMRC regulations	Fines for non-meeting regulations. Penalties for unpaid tax.	H	L	Payroll records maintained monthly. Employee contracts reviewed annually.	Complying with HMRC requirements.
VAT regulations	Entitlement to reclaim VAT.	L	L	VAT invoices retained.	VAT analysed separately in the cash book. VAT returns submitted annually.
Setting the annual budget within sound budgeting arrangements	The Council would not meet its objectives due to lack of funds.	H	L	Council sets budget annually. Budget expenditure reported monthly.	Precept meeting held in January.
Income continuity from fundraising events paid into current account	The Committee distorts figures of the Town Council.	M	M	Funds counted and paid into account as stated.	Separate bank account used.

Maintaining adequate reserves	Too much money in reserves.	M	M	CIPFA advises 10–15% in balances.	Town Council recognises the level of reserves it carries and a step-by-step approach is taken to reduce this if necessary.
Ensuring proper use of funds awarded to local community bodies	Improper use of public funds.	H	L	Grants considered and approved at Town Council meetings. Accounts requested.	Grant applications monitored regularly and supporting documentation provided.
Proper reporting under the Public Bodies (Admission to Meetings) Act 1960 or under s137	The Council could be open to challenge if no evidence or accurate records exist.	M	H	Minutes taken at each Council meeting and approved at next meeting.	Approved minutes made available to the public and published on the Town Council website.
Responding to electors wishing to exercise their rights of inspection	An elector could complain if denied the right of inspection.	L	L	Notice displayed on Council notice board informing electors of inspection rights.	Completed annually.
Proper document control	Increased fee from external auditor if there is no document control.	L	L	All documents filed. Inspection period maintained.	Monitored monthly.
Register of members' interests and declaration forms complete and up to date	Possible complaint by elector.	L	L	All members have adopted the Code of Conduct.	Monitored monthly.