

Risk Register
Treasury Management
 As at: 7 January 2026

R#	Title	Risk description	Risk Opp/Threat	Cause	Consequence	Date Raised	Date Reviewed	Owner	Gross		Current		Target		Comments	Controls			
									I	P	I	P	I	P		Control description	Due date	Status	Progress
Treasury Management																			
1	Loss of capital investment due to a counterparty collapsing	The Council loses its principal investment or an investment becomes impaired.	T	Counterparty collapses or hits a financial crisis rendering it unable to repay investments.	The Council may lose money or repayment of funds could be significantly delayed which could have an adverse impact on operational funding levels	8/5/2016	1/7/2026	Bill Lewis	5	3	5	3	5	3	Reducing risk by limiting the use of high risk counterparties. Imposing a maximum investment value on approved counterparties in order to spread and reduce risk. Controls and procedures are in place to ensure investment and durations limits with approved counterparties are not exceeded. Counterparties are also monitored and reviewed on a weekly basis at least, or more regularly if considered necessary to do so. Due to the policy of using internal funds prior to borrowing externally to cover the cashflow implications of prudential borrowing, investments have reduced and the majority of funds are held in short dated cash funds	Ongoing	Ongoing	100%	Bill Lewis
2	Pooled fund investments lose value	The value of the Council's units held in pooled fund investments decreases.	T	Uncertainty in the commercial property market and investment markets following slowdown in general economic activity.	Capital depreciation will decrease the overall value of the investment.	8/5/2016	1/7/2026	Bill Lewis	4	3	3	3	3	2	The Council receives monthly valuations from the fund managers detailing the indicative redemption value of the individual units. These are reported to the Head of Finance on a monthly basis. The Council has the option to sell its units if there is a concern that the fund value is likely to decrease for	Ongoing	Ongoing	100%	Bill Lewis
3	Changes in interest rates	Interest rates continue to change affecting investment and borrowing rates.	T	Changing national and global economic conditions resulting in interest rates being higher or lower than anticipated	The Council may not achieve its target level of interest income, the Council may lock in to fixed term investments with the interest rate subsequently rising, or the Council may take out borrowing at higher rates than subsequently achievable.	#####	1/7/2026	Bill Lewis	3	4	3	4	3	4	The Council continually monitors base rates and projection of rates from its treasury advisors and general economic data and plans investments accordingly. The same approach is taken for planning borrowing by monitoring forecasts against the different rates of interest offered for different periods and loans are	Ongoing	Ongoing	100%	Bill Lewis
4	Fraudulent activity	Potential fraud by staff	T	Fraudulent activity	Loss of money for the Council Disciplinary action for the staff involved	8/5/2016	1/7/2026	Bill Lewis	3	3	2	1	2	1	Segregation of staff duties, reviewing and monitoring of internal controls to ensure the correct protocol is being followed. Ensuring all insurance policies, especially the fidelity guarantee	Ongoing	Ongoing	100%	Bill Lewis
5	Money laundering	Money laundering by external parties	T	External parties pay a transaction by cash and subsequently request a refund	Fine and/or imprisonment	8/5/2016	1/7/2026	Bill Lewis	4	2	4	1	4	1	Ensuring the money laundering policy is reviewed and up to date. Checking refunds back to source. Raising awareness of this issue amongst staff and reviewing the financial regulations.	Ongoing	Ongoing	100%	Bill Lewis
6	Network failure/Barclays.net being inaccessible	The Council is unable to carry out its daily treasury functions due to a network failure	T	Barclays.net is unavailable or the Council's network has failed	Daily Treasury functions will not be carried out	8/5/2016	1/7/2026	Bill Lewis	2	3	1	2	1	2	Invoke the business continuity plan to minimise the effects of a network issue.	Ongoing	Ongoing	100%	Bill Lewis
7	Revenue Budgets	Revenue budgets are unable to meet borrowing costs of capital schemes	T	Revenue budgets come under pressure from restricted government funding or non delivery of programmed savings	The Council may not be able to execute some desired projects.	8/5/2016	1/7/2026	Bill Lewis	3	3	2	2	2	2	Revenue budgets monitored on monthly basis and future year forecasts undertaken. Reserve some capital receipts to cover borrowing costs in the short term. Monthly financial reports and forecasts.	Ongoing	Ongoing	100%	Bill Lewis
8	Lack of suitable counterparties	The Council does not have enough "space" with approved counterparties to place investments/deposit surplus cash balances.	T	Rising cash balances and a restricted counterparty list	Use of counterparties not paying best value rates.	8/5/2016	1/7/2026	Bill Lewis	3	4	3	1	3	1	The Council continually monitors its approved counterparty listing in conjunction with cash balances. Any potential new investment opportunities are discussed at Treasury Management performance meetings. The Council utilises money market funds to deposit surplus cash balances in the event of no space with other counterparties and also to ensure there is always cash instantly available in order to meet payment obligations when they fall due. Over recent years cash balances have fallen due to the use of internal borrowing, reducing the probability of breaching counterparty limits.	Ongoing	Ongoing	100%	Bill Lewis
9	Environmental Social and Governance	Inability to place investments	T	Environmental Social and Governance factors not being compatible with the Security Liquidity and Yield principles; limiting counterparties	Inability to find satisfactory counterparties to take all of the investments	1/10/2023	1/7/2026	Bill Lewis	3	4	3	3	3	3	Environmental Social and Governance factors are being used as an overlay in order to not restrict counterparties. These will be used as a means to select counterparty where there is more than one available. Where tighter restrictions on investments put in place, the Council could become unable to operate a treasury function within the policy	Ongoing	Ongoing	100%	Bill Lewis
10	Staff Resource	Staff capacity issue	T	Additional CIPFA requirements on treasury management increases pressure on staff; training, additional reporting, etc	Reports not produced to comply fully with the code	1/10/2023	1/7/2026	Bill Lewis	3	4	3	3	3	3	Reporting will be undertaken at a requirement level to only include reporting on indicators throughout the year that can be measured during the year. This will inevitably reduce indicators reported during	Ongoing	Ongoing	100%	Bill Lewis

Current Risk Score
 This is the risk score at the time that the risk is reviewed. When the risk is first identified it will be the same as the gross risk score. The current risk score is tracked to ensure that progress is being made to manage the risk and reduce the Council's exposure.

Residual Risk Score
 This is the risk score after mitigating actions have taken place. The residual risk score shows how effective your action plans are at managing the risk.

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