

BROSELEY TOWN COUNCIL



Risk Assessment

This risk assessment relates to the updated position as at July 2019 – Approved at Full Council Meeting 9th July 2019

	Identified Risk	Potential consequence of risk	Assessment of impact (H/M/L)	Likelihood of risk occurring (H/M/L)	Controls in place to manage risk	Required Action
1	Loss or damage of physical assets owned by the Council.	Assets unable to be used. Expense of replacing assets.	H	M	A register of assets is maintained and reviewed annually. Major assets are re-valued on a regular basis. The maintenance contractor checks and maintains the public toilets. The MUGA is regularly checked and maintained by the employee and contractor. Adequate insurance of assets with insurance amended as required.	
2	The risk of damage to third party property or individuals as a consequence of the Council providing services or amenities to the public.	Risk of litigation should an individual or third party property become injured or damaged.	H	M	Public liability insurance. Regular maintenance of street lights by street lighting contractor. Regular maintenance and monitoring of property under Council's ownership to identify any hazards. Programme of memorial safety checks in place. Annual review of insurance cover at renewal date.	Register of inspections to be maintained. Review inspections of Christmas lights and floral displays.

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3	The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss)	The Council may be unable to provide its services. Damage to reputation of the Council.	H	L	Our standard conditions of contract ensure the council is covered against non performance of contractors/suppliers.	
4	Loss of cash through theft or dishonesty.	The Council may be unable to provide its services. Damage to reputation of the Council.	H	M	Bank reconciliations are carried out every month and checked by full Council. Internal audit carried out annually. There is separation of duties between payment authorisation and maintenance of financial records. Systems and procedures agreed within the Council and with our Bank mitigate the likelihood of this occurring. Fidelity guarantee is reviewed annually. Any cash received in the office/library is immediately placed in the safe or a locked drawer. Office door is locked when cash handling is taking place. All cash is promptly banked. Adequate insurance cover is in place to cover cash handling.	

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5	Security and maintenance of vulnerable buildings, amenities or equipment.	Risk of loss of council records or property.	H	L	The office is locked when not in use and valuable documents and equipment are stored in the safe. Computer backups are made weekly and stored off site.	
6	Regular maintenance arrangements for physical assets	The Council may be unable to provide its services. Damage to reputation of the Council.	H	M	Maintenance regimes are in line with manufacturers recommendations. The majority of day to day asset maintenance is carried out by the internal work force and contractors for specialist work. The Council always seeks to purchase this type of equipment with insurance included. The Council seeks to use the most effective security arrangement to suit the area of risk.	
	Vehicle or equipment lease or hire	As above	L	L	Building may be covered by remote alarm providers if the risk assessment indicates that level of monitoring is required. For low cost/risk areas, the Council will normally consider self management of the risk.	
	Security for vulnerable buildings, amenities or equipment	As above	H	M		

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7	Ensuring the robustness of insurance providers	Loss of insurance may result in total loss to Council. The Council may be unable to provide its services. Damage to reputation of the Council.	H	L	We only use members of the Association Of British Insurers or The British Insurance Association Brokers.	
8	Review of internal controls in place and their documentation.	Loss of control over Council's documentation. Loss of VAT and income	M	L	Our auditor undertakes a check of the systems and procedures. Returns are included in the Quarterly finance report.	
9	The provision of services being carried out under agency/partnership agreements with principal authorities. Professional services (planning, architects, accountancy, design, etc).	Breakdown of Partnership. The Council may be unable to provide its services. Damage to reputation of the Council.	M	L	Where a partnership arrangement is in place, the substantive authority is normally responsible for managing risk. All professional contractors to the Council are required to carry appropriate cover to indemnify the Council. Proof is required of indemnity cover.	
10	Banking arrangements, including borrowing or lending.	Loss of income through poor investment of funds. Bank charges incurred through unauthorised borrowing.	H	L	Bank reconciliations are carried out monthly and cash flow is monitored. Full Council investigates any unusual transactions which would appear to be outside the normal operating procedures. Decisions on these issues are only taken by the full Council.	

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11	Loss or misuse of Council debit card.	Financial loss to Council.	L	L	Card is kept securely in locked safe when not in use. If removed from office for use, the card is returned to the safe as soon as practicable once the transaction has been completed. Bank mandate limits each transaction to a maximum of £250. Authority to spend is determined by Council's Financial Regulations. Each transaction to be highlighted to full Council on the monthly schedule of payments.	
12	Fraudulent activity or misuse of online or telephone banking services.	Financial loss to Council.	H	L	Bank mandate limits access to services to Town Clerk and RFO. Bank mandate limits total of daily transactions to £20,000. Monthly schedule of payments is submitted to Council for approval and specifies method of payment. Authority to spend and transaction security are covered in the Council's Financial Regulations.	

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13	Keeping proper financial records in accordance with statutory requirements.	Qualification of accounts by external auditor.	M	M	Cash book is maintained throughout the year. At the year end, financial statements are produced from the cash book, included in the Finance Quarterly Report and reported to the Council. Files are maintained listing all invoices in order of payment.	
14	Ensuring all business activities are within legal powers applicable to local councils.	Expenditure beyond the Council's legal powers could lead to local elector challenge. Possible external auditor investigation / public interest report. This would result in increased fees and bad publicity for the Council.	M	H	All payments are authorised by the Council at Council meetings or by Committees under delegated authority and then reported to full Council. The minutes identify the powers under which unusual or significant expenditure is incurred. There are specific requirements in the Council's Standing Orders and Financial Regulations which create the standards which must be adhered to in raising contracts.	

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15	<p>Regular reporting on performance by suppliers, providers, contractors Regular scrutiny of performance against targets</p> <p>Annual review of contracts</p> <p>Clear statements of management responsibility for each service</p> <p>Adoption of and adherence to codes of practice for procurement and investment.</p>	<p>Loss of Control over Contracts. Financial loss. Inability to recover contractor performance and loss of facility. Damage to image of the Council.</p>	L	L	<p>Any variances to expected performance are reported to full Council for action.</p> <p>Contracts are reviewed annually to assess suitability and financial robustness.</p> <p>The Terms of Reference for Council and Committees sets the responsibility for management which may then be delegated through standing orders and financial regulations to officers.</p> <p>These are laid out by Council resolution in the Council's Standing Orders and Financial Regulations.</p>	

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16	Ensuring that all requirements are met under employment law and Inland Revenue regulations.	Fines for not meeting requirements. Liability for unpaid tax. Risk of legal action from employee.	H	M	<p>Payroll records are maintained monthly and annual payroll returns are submitted. The payroll is managed by means of a proprietary payroll system which sends returns directly to HMRC in real time.</p> <p>All employees have contracts for employment, which are reviewed when changes occur.</p> <p>Employment contracts for employees are approved by the Staffing Committee.</p> <p>HR procedures to identify any changes which need to be notified to employees and/or Council as required.</p> <p>Advice on HR matters is taken as required.</p> <p>The complaints and grievance procedures are regularly reviewed by the Staffing Committee.</p> <p>Appropriate H&S risk assessments have been drawn up and are reviewed regularly. New assessments are drawn up as required.</p> <p>Advice on H&S matters is taken as required.</p> <p>Employer liability insurance is in</p>	

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17	Ensuring that all requirements are met under Customs and Excise regulations.	Entitlement to reclaim of VAT for a period being lost.	M	L	VAT is analysed separately in the cash book. VAT invoices are retained. VAT returns are submitted in line with HMRC requirements. Quarterly reports are made to full Council. The Council ensures that the annual audit checks that returns made to statutory bodies are within legal requirements.	
18	Ensuring the adequacy of the annual precept within sound budgeting arrangements.	The Council would not be able to meet its objectives due to lack of funds.	H	L	Full Council considers requirements for the budget, with the input of other committees, and the final budget is approved by full Council. Actual expenditure against budgeted expenditure is reported to full Council quarterly.	
19	Ensuring the proper use of funds granted to local community bodies.	Improper use of public funds.	H	H	The Council has a grants procedure operated to a set of agreed criteria by the full Council. Grants require the most recent accounts as part of the application and returns on the spending of grants.	Follow up spending of grants by recipients.
20	Ad hoc provision of amenities / facilities for events to local community groups.	Loss of Facilities, Council may be unable to provide its services. Damage to reputation	L	L	Outside bodies must provide proof of risk management for any risks not covered by the arrangements already in place.	

		of the Council.				
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21	Proper, timely and accurate reporting of council business in the minutes.	The Council could be open to challenge if they do not have an accurate record of any decisions taken.	L	L	Minutes are taken at each Council and Committee meeting; these are properly numbered and are approved at the next appropriate Council or Committee meeting. A master copy is kept locked in the filing cabinet in the office.	
22	Responding to electors wishing to exercise their rights of inspection.	An elector could complain if they are not able to exercise their right of inspection.	L	M	A notice is put up on Council notice boards notifying electors of their right to inspection of the accounts during the relevant inspection period.	
23	Meeting the laid down timetables when responding to consultation invitation	The Council may fail to respond to important correspondence. Loss of income ineffective provision of service.	L	L	The Council has clear delegations and all consultations are dealt with through the appropriate delegated body in line with timescales. Responses are reported back to full Council where required.	
24	Proper financial document control.	Increased fee from the internal auditor or external auditor if there is a poor audit trail.	L	L	All documents are filed. There is an audit trail from the order through to approval of expenditure and allocation to budget head.	

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25	Register of members' interests and gifts and hospitality in place, complete, accurate and up to date.	Possible complaint by elector.	L	M	All members have adopted the code of conduct. A register which includes each member's commitment to compliance with the Code of Practice is held by the Town Clerk. Members review and update their Register of Interests annually in May Any gifts or hospitality are also recorded.	
26	Maintaining up to date professional competence of staff and capability of Councillors.	The Council does not meet its obligations with regard to the community. Damage to the image of the Council.	L	L	Training opportunities are identified for staff and Councillors and appropriate records are kept. Reports of training undertaken are made to the appropriate Committee. Annual review of staff training needs.	
27	Data security	The person to whom the data refers takes civil action against the Council under the Data Protection Act.	H	L	Measures are outlined in the Council's Data Protection Policy in line with the GDPR 2018. Relevant insurance cover is in place.	
28	General Power of Competence	Loss of power through insufficient number of elected members at the next local election or loss	L	M	Policies making clear where actions are taken under this power. Contingencies in place for the loss of this power.	

		of qualified clerk.				
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29	Taking responsibility for community assets	Council takes on asset / liability which it cannot support in terms of finance, resources or management.	H	M	All implications of transfer are considered before a decision is taken. These will include, but not be limited to, financial projections, legal processes, building or land surveys, staffing and management responsibilities. If a transfer is undertaken, regular reviews will be carried out.	