

Alsager Town Council Risk Assessment and Management – March 2018

Risk Area	Potential Risk Identified	Risk Level (High / Medium / Low Impact)	Management of Risk	Action	Frequency of Review
Corporate Governance including:- Standing Orders, Financial Regulations, Committee Structure, Management Structure, Terms of Reference, Scheme of Delegation Corporate Strategy Budget, Long term Financial Strategy	Statutory compliance failure and poor performance	H	Reviewed regularly – and maintain current standard ChALC and SLCC to keep the Council up to date with changes in legislation	All managers	12 months or more frequently as necessary
Staffing/Personnel including:- Effective Staffing Structure, Staff Handbook and Policies, Training, Personnel Records	Statutory compliance failure and poor performance	H	Structure reviewed regularly – and develop and maintain up to-date policies. Wirehouse contract	All managers	12 months or more frequently as necessary
Staffing absence	Impact on budget	H	Stress management, occupational health assessments, staff handbook update, Wirehouse contract, annual appraisals	Town Clerk /Assistant Clerk and Managers. Personnel Committee	12 months or more frequently as necessary
Staffing – loss of key personnel	Impact on council operations Impact on budget	H	Staff handbook, contracts, notice periods, training, terms and conditions, succession strategies, recorded procedures	Town Clerk/Personnel Committee	12 months or more frequently as necessary

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Staffing – overpayment of staff during periods of sickness and when leaving the organisation	Impact on budget	M	Knowledge of Assistant Town Clerk & Finance Manager, close monitoring of position of individual staff when processing the payroll on a monthly basis. Reclaim any overpayment from employees leaving the organisation and debt recovery position.	Assistant Town Clerk, Finance Manager	12 months or more frequently as necessary
Staffing – fraud by staff, loss through theft or dishonesty	Impact on budget	L dependent upon value	Fidelity Guarantee value assessment, covered by insurance policy up to £500,000. Petty cash balances and business credit card subject to limits to limit exposure. Role segregation adds in additional controls.	Town Clerk, Assistant Clerk, Finance Manager	12 months or more frequently as necessary
Staffing - Ill health retirement - payment of ongoing pension contributions to an employee retired on the grounds of ill health	Impact on budget	L	Specialist insurance cover	Town Clerk, Assistant Clerk, Finance Manager	12 months or more frequently as necessary
Staffing: Personnel File Storage	Loss of staff data Non-compliance with GDPR	L	Personnel records stored in locked cupboard. Building not accessible by the public.	Reviewed by Assistant Town Clerk	12 months or more frequently as necessary

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Staff injury / staff protection	Impact on budget Possible claim against the Council	M	Training on manual handling, enforce H&S procedures, Lone working policy in place. Accident reporting in place	Asset Manager responsible for periodic checks	12 months
Finance /Accounting including:- Accounts and Supporting Records, Budget Monitoring, Regular Reporting, Commitment accounting, BACS, Payments, Grants, Budget Preparation, Auditing, PAYROLL, Insurance	Statutory compliance failure and poor performance Financial loss	H	Maintain effective financial resources, Statutory requirement procedures and practices, credit card limit, VAT advice	Town Clerk, Assistant Clerk, Finance Manager,	12 months
Finance: Cash	Loss of cash	M	Documented cash handling procedure including guidance on the use of safes, locked receptables, the number of employees to be involved in the transportation of money, procedures to be followed whilst transporting money to protect employees, including the insurance cover provided.	Town Clerk, Finance Manager, FP&G Committee	12 months
Acting as “Accountable Body” when working with Community Groups	Lack of probity and financial accountability	L	Adopted financial procedure to be followed where the Town Council is the Accountable Body	FP&G Committee, Finance Manager	12 months

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Financial Records	Inadequate financial reporting for decision making	L	Thorough monthly budget monitoring, full year forecasting, bank and balance sheet reconciliations, Omega system maintenance and back up	FO, RFO check; FP&G Committee	12 months
Finance: Debt	Risk of non payment by customers / stake holders (Civic, Allotments, Market)	M	Agreement on charges annually; invoices raised promptly, bank statement reconciled frequently and receipts allocated appropriately, debt collection procedure and frequent debt collection activity.	Town Clerk, Finance Manager	Annually / Monthly
Investment Risk	Risk of loss of Town Council funds in the event of collapse of a Financial Institution	H	No cover under the FSCS for Alsager Town Council as local authorities with an annual budget above 500,000 Euro are not covered under the scheme. Investigations underway as at January 2018 to reduce the risk by spreading funds across a range financial institutions.	Finance Manager, Town Clerk and FP&G Committee	12 months
Internet Banking Fraud	Risk of loss of Town Council funds in the event of internet banking fraud	H	Controls in place by banking provider, security of passwords.	Town Clerk, Finance Manager	12 months

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Finance: Collection of Market Rents	Collection of rents, banking, risk of mistakes	M	Record of traders on income sheet, approved price list for charges, receipts issued in exchange for rent paid, cash counted and reconciled with record sheet. Pre-numbered, duplicate receipt books issued. Record maintained of rents due from traders not in attendance, to be collected in future weeks.	Weekly action Assets Manager and Finance staff	12 months
Assets including:- Asset Register, Inventories, Regulatory Compliance, Health and Safety, Asset Management, Procurement	Statutory compliance failure Local Service Failure	H	Maintain for purposes of asset management and practices, procedures	Town Clerk. Ongoing review and monitoring	6 months
Assets acquisition	The liability of acquiring an asset	M	Full understanding of the state of the asset prior to acquisition and the extent and cost of liability of public ownership	Condition surveys to be undertaken. Insurance risk known. H&S risk known. Investments known.	At time of acquisition.

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Assets	Loss, damage	M	Annual analysis, update insurance and asset registers, access controls, asset tagging, alarm system, CCTV, out of hours' emergency monitoring line is in place. Key management system in place with register.	RFO checked	12 months
Assets	Risk or damage to third party property or individuals	M	Annual review of public liability insurance Market – weekly risk assessment of wind speed, T&C's signed by Traders, reviewed periodically	RFO checked and reviewed	12 months
Assets	Risk to staff, public as a result of health and safety liabilities / regulatory compliance / accidents	M	Annual program of health and safety inspections in place, Weekly fire alarm test, Monthly Emergency lights test All staff first aid trained with access to monitored first aid kit. Key personnel trained on AED. Accident book for logging incidents. General Assistants have received manual handling training.	Asset Manager, Civic Manager, Town Clerk check	12 months

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Assets	Poor performance of assets or amenities, loss of income or performance as a result of poor maintenance	M	Building maintenance and repair programmes, annual inspection; insurance cover appropriate Issues Log in place for staff to log any faults and general maintenance issues, Emergencies are dealt within 24 hours.	Town Clerk, Assets Manager, relevant committee	12 months
Information Systems – Loss of Data	Impact on Council operations. Statutory compliance failure. Poor performance / missed deadlines	L	2 backup systems in place, one being off site. Prism support	Reviewed by Assistant Town Clerk	6 months
Information Systems – External security	Private & Confidential information made public. Non-compliance with GDPR Negative publicity	L	Systems not accessible externally. IT hardwired into server. Laptops protected with encryption. Anti-virus and Randomware protected. Prism support	Reviewed by Assistant Town Clerk	6 months

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Information Systems – Internal security	Non-compliance with GDPR	L	Access permissions in place, training / education of staff around password storage / confidentiality. Prism support	Reviewed by Assistant Town Clerk	6 months
Allotments	Landlord Liability	L	Public liability insurance cover, health and safety reviews	Insurance cover reviewed annually H&S reviews - Gardens association	12 months
Civic	Bar Stock Loss	H	Access to stock is controlled by key security, CCTV. Quarterly stock check by external auditor and weekly stock check.	Bar Supervisor, Civic Manager check External Auditor	Weekly Quarterly
Civic	Events: damage to assets, illegal activity, non-compliance with premises licence, Failure to attend of acts / performers.	M	Each event risk assessed accordingly and security staff recruited if required. Formal contracts in place between Alsager Civic and performers. Insurance cover to be investigated.	Civic Manager	Annually
Precept	Not submitted	L	Receipt of CEC letter, TC agenda and minute, RFO action	Finance Manager, RFO Check	12 months

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Precept	Not received	L	Remittance receipt, check bank and report to F&GP	Finance Manager diary	6 months
Precept	Adequacy of precept	H	Monthly budget monitoring	Finance Manager	12 months
Civic Income	Bar	H	Z read checks back to cash in till at the end of every shift. All receipts for card payments and cash purchases to be stored with the bar income sheet. Accurate completion of bar income sheet. Float in till counted every shift. Documented cash handling procedure including guidance on the use of safes, locked receptables, the number of employees to be involved in the transportation of money.	Bar Supervisor Civic Manager	6 months
Civic Income	Lettings	H	Pricing policy, booking forms, RBS booking system in place. Finance staff monthly income reconciliation process checked back to bookings system, including sales invoicing of unpaid bookings	Civic Manager, Finance Manager and Town Clerk	12 months

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Civic Income	Ticket Sales	M	Ticket income reconciled to ticket stubbs by Civic staff Finance staff monthly reconciliation of income banked against reconciliation spreadsheets	Civic staff weekly action Finance staff monthly action	12 months
Procurement Controls	Goods and services not supplied	M	Confirmation of receipt via orderer Validation against delivery notes where possible	Finance staff action RFO check	Daily
	Incorrect payment	M	Signatories validate payment runs and initial invoices	Finance Manager action RFO check	Weekly
Chairman's allowance	Overpayment	L	Chairman's allowance policy in place: payment in line with the policy	Finance Manager action RFO verify	12 months
Grants	Power to pay	L	General Power of Competence in place for the term of Council 2015-2019	RFO, Finance Manager	12 months
Grants	Agreement to pay	L	Minutes of grants panel / Agreed during budget setting process.	RFO / Member verify	12 months
Grants	Conditions	L	Check compliance with grant conditions	Grants panel; RFO check	12 months
Grants	Follow up verification	L	RFO check against budget	RFO verify	12 months

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Election Costs	Invoice at agreed rate Adequacy of reserves to cover the cost of a by-election	L	Sufficient budget Maintain an Earmarked Reserve with sufficient balances to cover the cost of a by-election	RFO check	12 months
VAT issues	VAT analysis	M	Cash book / sales ledger / purchase ledger records on Omega Training of finance staff on the VAT process and understanding of how to process VAT transactions using the accounting software	Finance staff action RFO verify	12 months
VAT issues	Charged on sales / purchases	M	Cashbook / sales / purchase ledger records on Omega Training of Finance staff to understand VAT rules Consider annually; establish which services VAT is charged against Internal audit	Finance staff action RFO verify	12 months

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VAT issues	Partial exemption: Irrecoverable VAT	M	VAT position with regards to irrecoverable VAT is understood and the process in place. Documented VAT process. Controlled with full quarterly reconciliations Internal audit	Finance staff action RFO verify	12 months
VAT issues	Claimed within time limits	M	Monthly review of VAT control account Quarterly returns submitted to HMRC Internal audit	Finance staff diary RFO Check	Quarterly
Reserves - General	Adequacy	L	Analysis at budget setting and end of year Compliance with reserves policy (within investment policy) Informed monthly as part of budget monitoring	Within terms of reference of Finance, Governance & Policy Committee – to make recommendations on reserves to Town Council	12 months

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Reserves – Capital	Adequacy	L	Analysis at budget setting and end of year Compliance with reserves policy (within investment policy) Informed monthly as part of budget monitoring	Within terms of reference of Finance, Governance & Policy Committee – to make recommendations on reserves to Town Council	12 months
Reserves - Earmarked	Adequacy	L	Analysis at budget setting and end of year Compliance with reserves policy (within investment policy)	Within terms of reference of Finance, Governance & Policy Committee – to make recommendations on reserves to Town Council	12 months
Legal Powers	Illegal activity or payment	L	Ensure awareness of Council legal powers; CHALC membership retained	Diary	24 months
Minutes	Accurate and legal	L	Review and approve at following meeting	Diary	12 months

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Members' Interests	Conflict of interest	L	Update declarations of interest; review annually; agendas and minutes. Regular training Members handbook	Diary	12 months
Capital Works Program	Lack of skills to carry out the project successfully	H	Project board in place, members appointed to the board with relevant skill set to enable successful project delivery, appointment of consultants as necessary	Asset Manager Town Clerk	Ongoing during relative to each project
Procurement Controls	Goods and services not supplied	M	Confirmation of receipt via orderer Validation against delivery notes where possible	Finance staff action RFO check	Daily
	Incorrect payment	M	Signatories validate payment runs and initial invoices	Finance Manager action RFO check	Weekly

Chairman of the Council.....

Approved on.....2018

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