



CORPORATE RISK ASSESSMENT (Adopted 27 November 2017)

Risk	Impact	Control Measures already in place to control the risk	Likelihood	Severity	Review frequency	Alternative review/trigger internal audit assurance	Responsible person (s) (Council=C) (Town Clerk=TC)	Committee or Council to Review
Failure to have in place appropriate policies and procedures to ensure the Council fulfils its statutory duties and is appropriately governed and managed	Increased likelihood of failure to fulfil statutory duties; increased likelihood of poor management/governance	<ul style="list-style-type: none"> The Council has in place a range of written policies and procedures to ensure appropriate governance/management/statutory compliance. The Council is accredited with LCAS providing an extra check on core compliance. 	1	3	Annually	<p>Any serious concern raised about the effectiveness of existing policies or procedures</p> <p>If any concerns are raised by the Internal Auditor</p>	C & TC	Council
Failure to have in place an appropriately qualified and experienced Proper Officer/Responsible Financial Officer	Increased likelihood of failure to fulfil statutory duties; increased likelihood of mistakes/failures in financial accounting.	<ul style="list-style-type: none"> The Council has an appropriately qualified Town Clerk/Proper Officer/Responsible Financial Officer in place. There are sufficiently experienced staff in place to ensure duties can be carried out in the event of planned/unplanned absence 	1	3	Annually	The Town Clerk's resignation or that of any key staff providing support in the event of absence	C & TC	Council

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Failure to appoint suitably skilled Chairs/Vice Chairs to Council and Committees	Increased likelihood that meetings will be poorly run. Councillors may not engage as a result. Possible increased difficulty of minuting meetings.	<ul style="list-style-type: none"> The Council has an established procedure to appoint Chairs/Vice Chairs annually. Councillors without chairing experience can access appropriate training with Council approval. 	1	3	Annually	Chair/Vice Chair steps down mid-term	C	Council
Failure to have in place suitable line management/ learning and development arrangements for all staff	Increased likelihood of poor management of individuals and the Council as a whole; staff may leave and be difficult to replace, causing backlogs of work, general administrative problems etc.	<ul style="list-style-type: none"> All staff have a line manager; annual appraisals identify learning & development needs. Staff can request training at any time. 	2	4	Annually		C & TC	F&S
Failure to ensure adequate insurance cover	Claims against council could impact on finances and service provision. There may be insufficient funds for contingencies and to carry out functions.	<p>An annual review of insurance is completed to ensure that all appropriate risks are covered including</p> <ul style="list-style-type: none"> Public Liability Hirers Liability Employers Liability Money Libel and Slander Fidelity Guarantee Personal Accident Legal Expenses Business Interruption Vehicles Material Damage 	2	5	Annually	<p>Any claim not covered by existing policies; any emerging areas that may require additional cover to be put in place.</p> <p>If any concerns are raised by the Internal Auditor</p>	C & TC	F&S

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Failure to collect and review rents and charges for: <ul style="list-style-type: none"> Allotments Room Hire Cemetery Awarded Lands Market Arts Centre 	Increased risk of insufficient funds being available to carry out functions or maintain facilities. The Council may need to review budget plans if the financial impact is severe.	<ul style="list-style-type: none"> The Council reviews rents and charges annually as part budget setting and has an established procedure for prompt invoicing, banking and debt recovery. Wherever possible money is taken in advance. Actual income is reviewed by Finance & Staffing every quarter 	2	4	Annually	<p>If any concerns being raised about rental income.</p> <p>If any concerns are raised by the Internal Auditor</p>	TC	F&S
Failure to ensure adequate Budget provision for planned services and other expenditure	Risk of Precept being insufficient, possibly leading to e.g.: inability to deliver some services; difficulties paying staff or paying bills; inability to meet unexpected expenses; necessity of drawing on investments to meet shortfall.	<ul style="list-style-type: none"> The budget is planned and approved by the Council at a dedicated budget setting meeting. Planning includes a contingency and reserves budget. Regular detailed financial reports ensure any trends not in line with the budget are identified so that corrective action can be taken at an early stage. 	2	5	Annually		C & TC	F&S
Failure to sufficiently protect the Council's physical assets, including buildings	Increased likelihood of higher repair costs, loss, disruption to services, damage to assets, possibility of injury to individuals and related PI claims	<ul style="list-style-type: none"> Assets are stored safely in secure buildings with intruder and fire alarms. Buildings are regularly inspected and insurance cover is in place. 	2	3	Annually		TC	L&P
Failure to maintain a complete, accurate record of council assets	Increased likelihood of failure to budget correctly for asset replacement.	<ul style="list-style-type: none"> The Council has an established procedure to record all acquisitions and disposals of assets and their value. 	1	3	Annually	If any concerns are raised by the Internal Auditor	TC	L&P

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Failure to comply with HMRC Regulations (VAT & Income Tax/National Insurance)	Both: Risk of fines and penalties. VAT: Income may be overestimated leading to poor financial decision-making. Income Tax/NI: impact on individuals if incorrectly calculated/paid.	<ul style="list-style-type: none"> The Council has procedures to manage and record VAT and Income Tax/NI. Quarterly VAT returns are submitted by required deadlines. Claims are reconciled to the cashbook. Income Tax/NI calculation/deduction records are maintained and prompt payment of all sums due are made to HMRC. 	2	4	Quarterly	<p>If any concerns are raised about compliance with HMRC regulations.</p> <p>If any concerns are raised by the Internal Auditor</p>	TC & C	F&S
Failure to complete contractual arrangements with service providers	High risk of uncertainty in relation to agreement between Council and provider – services may not be provided as agreed. Risk of legal action.	<ul style="list-style-type: none"> The Council has an established procedure that ensures signed contracts are in place as a prerequisite of service provision. 	2	2	As and when required Annually	If any concerns are raised by the Internal Auditor	TC	Council
Poor Box Office Controls and Cash Handling procedures	Increased risk of accounting failures, over-booking and complaints which could lead to reputation damage.	<ul style="list-style-type: none"> The Council has clear procedures for cash handling, ticket sales recording and daily reconciliation. All controls are checked quarterly by the Internal Auditor. 	2	4	As and when required Annually	If any concerns are raised by the Internal Auditor	TC & C	F&S

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Loss of money through theft/ misappropriation	High risk of accounting fraud leading to poor financial decision-making. Possible operational difficulties caused by recruitment need at short notice due to dismissal of responsible individual/s. Reduction in available funds. Reputation damage	<ul style="list-style-type: none"> All monies are securely held pending banking. Daily banking of cash and banking reconciliation. A cash handling procedure is in place and adhered to. 	1	4	Annually	<p>If financial fraud by a member of staff or Councillor is uncovered.</p> <p>If any concerns are raised by the Internal Auditor</p>	TC & C	F&S
Poor financial management	High risk of poor quality financial information, leading to poor financial planning and strategy, failure to budget properly, poor financial decision-making on individual issues.	<ul style="list-style-type: none"> The Council has clear financial regulations, reviewed annually. The Responsible Financial Officer manages and maintains finances; the Finance & Staffing Committee & Council scrutinise detailed financial reports. Three annual internal audits provide additional checks. 	2	3	3 times per year / Annually		TC & C	F&S
Failure to ensure proper legal authority for expenditure.	Illegal expenditure. Action against the Council.	<ul style="list-style-type: none"> A record in the minutes of a meeting is made detailing the approved budget under which expenditure is being made. Minutes are checked and approved by the Council to confirm accuracy. 	2	4	As and when required	If any concerns are raised by the Internal Auditor	TC & C	F&S
Failure to review interest rates/investment rates	Council investments may not gain the best return.	<ul style="list-style-type: none"> Council reviews existing investment performance regularly. New investments & transfer of funds are approved by Council following analysis of financial information. 	2	2	6 monthly / annually	Major changes (e.g Bank of England announcements)	C	F&S

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Lack of maintenance and Security of Deeds of Ownership	Risk of unanticipated legal costs	<ul style="list-style-type: none"> All deeds and relevant documents are held in a fireproof cabinet, within the safe or stored with the Town Council's solicitor's archive. 	2	2	Annually		TC & C	Council
Failure to ensure proper use of funds under specific powers including Section 137	Lack of funds for projects for which a grant was intended. Investigations into the use of funds.	<ul style="list-style-type: none"> All expenditure including Section 137 are recorded in the cashbook. All approved grant funding is properly recorded in the council minutes. Accounts are scrutinised by the Council and checked by the appointed Internal and external Auditors 	2	3	Annually	<p>Failure to properly use funds.</p> <p>If any concerns are raised by the Internal Auditor</p>	TC	F&S
Failure to maintain an effective payments system	Increased likelihood of accounting inaccuracy leading to poor decision-making; risk of overpayments/failure to pay; impact on relationships with suppliers.	<ul style="list-style-type: none"> The Council has established financial procedures. All payments must be supported by an invoice; details are checked and payments entered into the cash book. The Financial Regulations set a threshold value for payments that must be approved by Council before payment. Approval is minuted. All payments over £100 are signed by at least two authorised members who also check the invoice and endorse the cheque counterfoil. 	2	4	Annually	If any concerns are raised by the Internal Auditor	C & TC	F&S

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Insufficient staff to perform Council's statutory duties	Increased likelihood the Council will fail in its statutory duties if it has insufficient staff to carry them out.	<ul style="list-style-type: none"> • Notice periods in contracts of employment allow for timely recruitment of replacement staff in the event a member of staff leaves. • Staff are trained to carry out statutory aspects of each other's roles so that there is cover in event of planned/unplanned absence. 	2	3	Annually	Long-term absence of key member of staff or changes to number or scope of existing staff roles	C & TC	Council
Failure to meet statutory duty re notifications of Council meetings	Breach of the Local Government Act 1972 c.70 schedule 12 Part II; Councillors may not attend or may not have opportunity to fully review information provided if not properly notified – this could lead to poor decision-making or the council being unable to function due to being inquorate; members of the public are less likely to engage with the Council if notices are not posted.	<ul style="list-style-type: none"> • The Council has an established procedure to prevent failure. • All notices are posted in the prescribed places 3 clear days prior to any meeting. • All councillors are notified of meetings by way of a summons and agenda. • The attendance record is updated accordingly. • The Clerk verifies the meeting is quorate. 	2	2	Annually	any relevant amendments to or repeals in relation to the Local Government Act 1972 or enactment of any new relevant legislation	TC	Council

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Failure to report Council business in minutes, in a timely and accurate manner.	Breach of the Local Government Act 1972 c.70 schedule 12 Para 41; action against the Council for failure to fulfil statutory duty; reputation damage.	<ul style="list-style-type: none"> The Council has an established procedure to prevent failure. Proper, timely and accurate recording of council business is completed in minutes. All minutes are signed by the Chair once approval is given. The master copy is kept in a separate file. The minutes are available on the town council website for the public to access. 	2	3	Annually	any relevant amendments to or repeals in relation to the Local Government Act 1972 or enactment of any new relevant legislation	TC	Council
Failure to properly maintain records for: <ul style="list-style-type: none"> Play Areas Allotments Cemetery Market Room Hire 	Failure to identify debtors and collect monies (where relevant) leading to unprofitable business activities; poor business decisions by the Council based on inaccurate financial data; possible breach of the Data Protection Act 1998 where the data concerns individuals; damage to the reputation of Council.	<ul style="list-style-type: none"> The Council has established procedures to ensure records are maintained and regularly reviewed. Proper records are kept electronically and hard copies and maintained by town council staff in a confidential and secure manner. 	2	4	Annually	Any serious internal concern about records maintenance or amendment of Data Protection legislation If any concerns are raised by the Internal Auditor	C, TC & Officers	L&P
Failure to keep personal data secure	Breach of Data Protection Act 1998; ICO investigation (maximum penalty up to £500,000 fine); litigation by affected individuals.	<ul style="list-style-type: none"> The Council has appropriate physical and electronic measures in place to ensure personal data is appropriately protected. Data no longer required is securely destroyed. 	2	4	Annually	In the event of any concerns arising about data security (e.g. cyber security alerts; ICO bulletins etc)	C & TC	Council

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Non compliance with requests under the Freedom of Information Act 2000 or Subject Access Requests under the Data Protection Act 1998.	The ICO may issue fines for non-compliance.	<ul style="list-style-type: none"> The Town Council has established procedures to prevent non-compliance. FOI requests are responded to within 20 working days required under S45 & 46 of FOIA; SARs are responded to within 40 days required under S7 DPA 1998. 	2	3	Annually	In the event of any relevant amendments to or repeals in relation to the FOIA or DPA or enactment of any new relevant legislation	TC & C	Council
Failure to comply with law relevant to employing staff (e.g. Health and Safety; equalities; disability discrimination; part-time work regulations etc)	Fines and penalties from regulation bodies; employee use of grievance procedure; legal action by employees.	<ul style="list-style-type: none"> Clear policies and procedures are in place. Regular review of the documents are completed to ensure compliance with the law. 	2	4	Annually	In the event of any relevant amendments to, repeals of or enactment of any new relevant legislation If any concerns are raised by the Internal Auditor	TC & C	F&S

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Failure to register members interests, gifts etc	Councillors could become inappropriately involved in making decisions that benefit them directly or indirectly. This could lead to decision making which is not in the public interest.	<ul style="list-style-type: none"> The Council as a body takes appropriate steps to ensure Councillors declare all relevant interests, gifts etc. Councillors are required to submit a declaration of interests following election and are invited to declare relevant interests at all meetings. The Clerk oversees the collection of information and ensures the information is passed on to the Principle Authority. 	2	4	Annually	In the event of any concerns arising regarding the declaration of interests	Individual Councillors & TC	Council
Failure to respond to electors' wish to right of inspection.	Loss of public confidence. Possible damage to reputation.	<ul style="list-style-type: none"> The Council has in place clear standing orders and documented procedures to deal with enquiries from public. 	2	2	As and when required Annually	In the event of any changes affecting the relevant standing orders/ procedures	TC	Council

RISK RATING TABLE					
SEVERITY	LIKELIHOOD				
	1 Negligible Highly unlikely to occur	2 Low Unlikely to occur	3 Medium Approximately even chance of occurring	4 High More likely to occur than not	5 Very High Almost certain to occur
1 Insignificant No impact if risk is realised	Low 1	Low 2	Low 3	Low 4	Medium 5
2 Minor Low impact with negligible time/resources implications to correct	Low 2	Low 4	Low 6	Medium 8	Medium 10
3 Significant Harm done to the service with consequences to rectify	Low 3	Low 6	Medium 9	Medium 12	High 15
4 Damaging Serious negative impact on services with significant resources needed to rectify	Low 4	Medium 8	Medium 12	High 16	High 20
5 Grave Consequences serious enough to threaten future service delivery	Medium 5	Medium 10	High 15	High 20	High 25

Date of Approval	27.11.17
Latest date of next Review	28.11.18
Cross Reference Documents	Work Activity Risk Assessments