

## Woburn Sands Town Council

### Risk Management Policy Statement and Risk Assessment

**Woburn Sands Council – Risk Management Policy Statement Adopted 10 February 2020 and last reviewed June 2023.**

**Due to be next reviewed in June 2024**

#### **Definition of Risk Management**

Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

#### **Risk Policy Statement**

Woburn Sands Town Council, hereafter referred to as WSTC recognises that it has a responsibility to manage risks effectively in order to protect its Councillors, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

WSTC is aware that some risks can never be eliminated fully and we have tried to ensure we have a strategy that provides a structured, systematic and focussed approach to managing risk.

#### **Approach to Risk Management**

WSTC's approach to risk management is that we should try to identify and manage risks in the most cost effective manner within overall resources available.

Each risk identified by WSTC is recorded in WSTC's risk assessment document. The impact is assessed; control measures we feel to be appropriate are put in place together with the frequency with which the risk should be reviewed.

## **Responsibility for Risk Management**

WSTC recognises that it is the responsibility of all councillors and the clerk as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to front line service provision and to the meeting of WSTC's objectives and community needs.

This policy has the full support of WSTC which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community. From recent experience, we already know that Council responsibility cannot be taken lightly and areas like succession planning are critical.

The co-operation and commitment of all members of WSTC and employees is required to ensure that council resources are not wasted as a result of uncontrolled risk.

WSTC is responsible for ensuring that this procedure is adhered to.

**This Policy and Risk Assessment will be reviewed annually in line with the Standing Order Calendar.**

## FINANCIAL AND GOVERNANCE

Ref	Topic	Risk	H/M/L	Management/control of Risk	Review/Assess/Revise
1	Precept	Adequacy of precept	L	To determine the precept amount required, the Town Council receives monthly budget update information. The precept requirement is assessed at a budget meeting in November and finalised in January for approval at January full council meeting	Existing procedure adequate
2		Requirements not submitted to MKC	L	MKC requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to the MKC . Clerk keeps record of precept request and minuted at the January meeting	Existing procedure adequate Clerk to minute the precept amount
3		Precept not received	M	WSTC is a 'medium risk' authority, having medium costs and some reserves. Precept receipt is monitored by Clerk who informs Council when the precept is received at the relevant meeting	Existing procedure adequate
4	Budgeting	Budget not prepared for next financial year	L	With information on the previous budget and actual spend against budget heads, WSTC maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. Budget and precept setting are timetabled for meeting agenda annually in line with the Standing Order Calendar	Existing procedure adequate

5	Financial Records	Inadequate records	L	WSTC has Financial Regulations which set out the requirements. These Financial Regulations are reviewed annually in line with the Standing Order Calendar	Existing procedure adequate and will continue to seek external help if needed
6		Financial irregularities/Internal controls	L	The accounts are audited by an independent person each year. During the year financial reports are produced quarterly for town council meetings by the Responsible Financial Officer (or clerk). The people raising cheques (RFO & clerk) are not cheque signatories	Review the adequacy of internal audit and financial controls annually. Quarterly reviews to be minuted and accounts sheet to be signed at meeting
7	Bank and Banking	Inadequate checks Bank mistakes Loss Charges	L L L L	WSTC has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. Any bank errors are discovered when the Clerk reconciles the bank accounts once a month when the statements arrive and any errors are dealt with immediately by informing the bank and awaiting their correction.	Existing procedure adequate. Review the Financial Regulations and bank signatory list annually in line with the Standing Order Calendar and in the event of a change of clerk or any other extraordinary change in circumstances. Monitor the bank statements monthly.
8	Cash	Loss through theft or dishonesty	L	WSTC has Financial Regulations which set out the requirements. Cash received when office open when there are 2 members of staff in attendance. There is a very small petty cash held by the Responsible Financial Officer (Clerk)	Existing procedure adequate. Review the Financial Regulations as necessary
9	Reporting and Auditing	Information communication	L	A monitoring statement showing bank balances is circulated at each meeting with previous minutes, clerk will raise any budgetary concerns on the monthly report which is included on the agenda.	Existing communication procedures adequate. Agendas circulated electronically, all Members encouraged to have Email. Paper copies will be posted to those without. Internal audit checks will be made quarterly.

				Invoices are submitted monthly for approval of payments. All receipts are included on the monitoring statement	
10	All Costs & expenses Debts	Goods not supplied but billed	L	All goods to be ordered are confirmed at Council Meetings, in an emergency, email Councillors for confirmation and checked by clerk this is reported back at the next meeting	Existing procedure adequate
11		Incorrect invoicing	L	Financial regulations set out requirement for Responsible Financial Officer checking for amounts against decisions/quotes etc.	Existing procedure adequate
12		Cheque payable incorrect	L	Invoices are tabled at meeting for Councillors check against cheque book. Two signatories on cheques. Council approves the list of payments	Existing procedure adequate
13		Loss of stock	L	Hall equipment is checked regularly	Review financial regulations as necessary
14		Unpaid invoices	L	Unpaid invoices for Council goods or services are pursued and where possible, payment is obtained in advance	Existing procedure adequate
15	Grants and support - payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of budgeting, approval, are minuted and listed accordingly. In addition, a grant policy has been approved by the council to award annual discretionary grants	Existing procedure adequate
16	Grants / donations - receivable	Receipts of Grant and donations	L	WSTC receive a few grants and donations for upkeep of the Library and towards Christmas illuminations	Financial Regulations and Standing Orders deal with authorisation for project expenditure and associated grant applications

17	Charges – rentals receivable	Receipt of rental	L	WSTC does not receive direct rental payments WSTC receive payments by cheque, cash or payments direct to bank	Existing procedure adequate Payments are kept in safe keeping and banked as soon as possible
18		Insurance implication	M	Grantees arrange own insurance. WSTC insures fixtures and fittings (including some play equipment, outdoor seating and notice boards, buildings, regalia and office equipment	RFO to ensure payment and copy of insurance document received To keep the Insurance policy updated.
19	Accountability	Work awarded correctly	L	WSTC have updated its financial regulations which set out requirements for the award of contracts etc.	RFO and Members have a duty to implement Standing Orders and Financial Regulations
20		Overspend on services/depletion of reserves	L	Responsible Financial Officer to make recommendations on spending according to budget availability	Members have a duty to consider budget and reserves requirements and operate within them (Financial Regulations sections 2 & 3).
21	Salaries and associated costs	Salary paid incorrectly, Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L	The Town Council has five employees. Salary rates are assessed annually by the finance committee at budget setting and applied on 1 April each year. Salary slips are produced by the Clerk monthly together with a schedule of payments to the Inland Revenue (for Tax and NI). The payments are approved at WSTC meetings and signed off. The Tax and NI is worked by the software Basic PAYE Tools run by HMRC a calculation is submitted each month. All Tax and NI payments are paid to Inland Revenue monthly in advance. Employees have a contract of employment and job description	Existing appointment and payment systems for employees are adequate

22	Workplace Pension	Lack of adequate provision	L	<ol style="list-style-type: none"> <li>1. The Clerk is already on Local Government Pension Scheme</li> <li>2. Another employee has declined workplace pension.</li> <li>3. Pension discussed with three very low hours part time employees.</li> </ol>	<ol style="list-style-type: none"> <li>1. Enrolled January 2021</li> <li>2. Further offer to join workplace pension will be made following the annual appraisal.</li> <li>3. WSTC unable to offer pension as employee hours too low. Will be reviewed if hours increase.</li> </ol>
23	Employees	Loss of key personnel/difficulty in retaining Clerk Not enough hours for role	M	Clerk post would be advertised widely, with arrangements to temporarily cover Clerk responsibilities until new Clerk in place	Aim for good conduct at meetings. Consider specialist training/intervention. Review Clerk's terms and conditions, contract of employment (especially hours) if requirements change
24		Sudden/unexpected loss of key personnel	H	Measures are being put in place to update records. Passwords for the Chairman, also access to all documents and deeds in safe keeping	In the event of sudden loss of key personnel, deputy would provide immediate cover for the Clerk taking personal responsibility for day-to-day affairs and immediately start a recruitment process for the replacement personnel
25		Fraud by staff	L	Only small amount of cash handled, 2 councillors sign cheques. Bank balances reported monthly, statements available for inspection, checked and signed by a councillor. Fidelity Guarantee included in insurance (£250,000)	Existing procedure adequate
26		Actions undertaken by staff	L	The Responsible Financial Officer and Clerk should be provided with relevant training,	Council membership of the BALC and will continue. Monitor insurance as necessary

				reference books, access to assistance and legal advice required to undertake the role	
27	Councillor allowances	Councillors over-paid	L	Small Mayoral Allowance given annually, reviewed at budget time	Existing procedure adequate
28	Election costs	Risk of an election cost	L	Local Authority should give advance notice, but to use reserves if before budgets can allow for the cost	Existing procedure adequate
29	VAT	Re-claiming/charging	L	WSTC not VAT registered. Clerk reclaims VAT at least every 6 months	Existing procedure adequate
30	Annual Return	Submit within time limits	L	Annual Return is completed copies sent to all Councillors with appropriate additional paperwork Approved, then arrangements for Chairman to sign the Return once the minute number is known and sent within the time limit	Existing procedure adequate

31	Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Town Council to be resolved and minuted at Council Meetings	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations
32	Minutes / Agendas / Notices / Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements	Existing procedure adequate



33		Business Conduct	L	Business conducted at Council meetings is managed by the Chairperson	Guidance/training to Chairperson should be given (if required) – available through BMKALC / NALC Members to adhere to Code of Conduct
34	Members interests	Conflict of interest	L	The declaring of interests by members at a meeting reminds Councillors of their duty and should remain on the agenda	Existing procedure adequate
35		Register of Members interests	M	There are criminal penalties now deterring non-completion of Registers or declarations	Members have a duty to update their individual Register of Interests
36	Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal in June) of all insurance arrangements in place. Risk assessment to be completed	Insurance Policy Risk Assessments under review
37		Cost	L	Employers and Employee Liability insurance is a necessity and must be paid for. Financial Regulations set out an agreed process and requirements	Review Insurance annually
38	Data Protection	Policy Provision	M	Councillors sign Data Protection Act 1998 agreement. Councillors and Clerk adhere to data protection principles and legislation	Data Protection Privacy Policy has been adopted April 2018, training for Clerk and Councillors to be provided as necessary
39	Freedom of Information Act	Policy Provision	M	WSTC is open in its provision of information when requested	Model Publication Scheme updated January 2015 and to be reviewed August 2023. Freedom of Information Act training for Clerk, and Councillors where feasible.

40	Halls for Hire	Loss or damage risk to third party (i.e.) property	M	<ul style="list-style-type: none"> <li>• The Halls are owned by the Town Council and are regularly inspected and maintained</li> <li>• All repairs and relevant expenditure relating to repairs is authorised in accordance with the correct procedures of the Town Council</li> <li>• Each hall has its own Risk Assessment to be reviewed annually</li> <li>• Fire Risk Assessments reviewed every two years unless building alterations require otherwise</li> <li>• Weekly smoke alarm checks undertaken, emergency exits checked, and visual checks on fire extinguishers</li> <li>• Hall Hirers public liability is covered on WSTC Insurance excluding commercial hirers</li> </ul>	<ul style="list-style-type: none"> <li>• Complete review of all Health and Safety Risk Assessments is currently being arranged (July 2023)</li> <li>• Fire Safety Risk Assessments on all halls undertaken Jan to May 2023</li> </ul>
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