

THRAPSTON TOWN COUNCIL

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RISK MANAGEMENT SCHEME

Risk Assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Town Council to identify any and all potential inherent risks. The Town Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible.

This document has been produced to enable Thrapston Town Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The list is not exhaustive and the Town Council may wish to consider other risks not identified.

FINANCIAL & MANAGEMENT

Area	Risk	Rating	Control Measures	Review/Assess	Rating	Action
Financial	Inadequate records/ financial irregularities	MED	The Town Council uses Financial Regulations which set out the requirements based on Model Regulations from NALC. Appointment of NCALC Internal Audit Service. Financial records are externally audited by way of the annual AGAR. The Town Council operates a system of internal control.	Existing procedure adequate. Review the Financial Regulations annually.	LOW	Clerk/ Council
	Lack of commitment by Councillors to the budgetary process	LOW	The Finance & Devolution Committee review the budget in depth and receive any budgetary requests from other Committees. The Finance & Devolution Committee then make a recommendation to Full Council for acceptance of the budget. The Precept is determined on the basis of the budget set. Variance to Budget reported on at each Finance & Devolution Committee meeting.	Existing procedure adequate	LOW	Clerk/ Council
	Failure to ensure that the annual precept results from an adequate budgetary process	LOW	Start consideration of budgetary process at least 3 months prior to submission date of Precept. Checks by Clerk/RFO and Finance & Devolution Committee.	Existing procedure adequate.	LOW	Clerk/ Council

Financial	Inadequate internal controls with regard to monitoring expenditure	LOW	Internal control checks are carried out every at least quarterly by a Councillor (who must not be a bank signatory) to ensure effective financial management by Clerk/RFO.	Existing procedure adequate.	LOW	Clerk/ Councillor
	Bank mistakes	LOW	The Town Council has Finance Regulations which set out the banking requirements. The Clerk/RFO reconciles the bank account(s) regularly throughout the month. Any problems/irregularities are dealt with immediately.	Existing procedure adequate.	LOW	Clerk
	Loss of signatories	LOW	The Town Council will choose replacement signatories as and when required.	Existing procedure adequate.	LOW	Council
	Reserves too high / too low	LOW	Practitioners Guide advises reserve balance must not exceed the Precept but should be sufficient to allow the Council to operate if expected precept is not received. Monies held over and above this amount should be earmarked funds.	Existing procedure adequate.	LOW	Council
	Illegal activity or payments	LOW	All activity and payments within the Powers of the Town Council to be resolved at Council meetings as per the Financial Regulations.	Existing procedure adequate.	LOW	Clerk/ Council
	Fraud by Employees / Councillors	MED	Ensure level of Fidelity Insurance is adequate and review annually. All payments to be authorised by two Councillors.	Existing procedure adequate.	LOW	Clerk/ Council
	Cash handling	HIGH	Cash may be received for the hire of the community centre or for ticket sales. Cash to be paid into the bank account as soon as practically possible. The cash is securely locked in the office. There is no petty cash held. 2 people to be present to count takings for sums over £250.	Existing procedure adequate.	LOW	Clerk
	Reporting: Information communications / compliance	LOW	The Clerk's Financial Statement is produced monthly and presented to the Finance & Devolution Committee for approval at its meeting. The report includes a bank reconciliation and a breakdown of receipts/payments balanced against the bank.	Existing procedure adequate.	LOW	Clerk
	Grants Payable: Power to pay / Authorisation of the Town Council to pay	LOW	All such expenditure goes through the required Town Council's process of approval, minuted and listed accordingly; and separately listed if made using S137 powers of expenditure.	Existing procedure adequate.	LOW	Clerk

Financial	Grants Received: Receipt of grant	LOW	The Town Council does not presently receive any regular grants. One-off grants would come with terms and conditions to be satisfied.	Procedure would be formed, if required.	LOW	Clerk
	Charges / Rents Receivable: Payment of Rents	LOW	The Town Council collects rent in respect of the Sports Field annually in April. Signed leases are held.	Existing procedure adequate.	LOW	Clerk
	Best Value Accountability: Work awarded incorrectly / overspend on services	LOW	Normal Town Council procedure is to seek, if possible, three quotations for any substantial work to be undertaken. For major contract services, formal competitive tenders are sought. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation / tender, research the problem and report to the Town Council. This is covered in the Financial Regulations.	Existing procedure adequate.	LOW	Clerk
	Salaries paid incorrectly	LOW	The Council authorises the appointment of all employees through its meetings/committee meetings. Salary rates are assessed annually by the Personnel Committee. All staff have a contract and job description. Salaries are paid monthly in arrears by BACS. TAX and NI contributions are calculated by the Town Council's payroll company and authorised by the Council at its meetings/committee meetings.	Existing procedure adequate.	LOW	Clerk
	VAT Reclaiming - Requirements of HMRC not met	LOW	The Clerk analyses out any VAT charged on purchases within the expenditure of the Town Council and maintains all VAT receipts within the Town Council's records. The Clerk produces a VAT refund analysis and makes a claim to HMRC for recovery of the amounts each quarter. The refund is received via BACS transfer. The Clerk notifies the Town Council at the next meeting. All documentation in relation to the process is maintained in the Town Council's records.	Existing procedure adequate.	LOW	Clerk
	Councillor allowances / Councillors overpaid / income tax deduction	LOW	No allowances are allocated to Town Councillors	No procedure required.	LOW	Council

Business Continuity	Incapacity / Absence of Clerk / Resignation of Clerk Absence or Resignation of Staff	MED	Designate a person to temporarily act as Clerk in an emergency. Assistant Clerk now in post0. A Locum Service is available through the Society of Local Council Clerks but can be expensive. For other staff distribute workload until a replacement/temporary cover can be found. A Councillor cannot receive remuneration for clerical duties.	Existing procedure adequate.	LOW	Clerk/ Council
	Loss or damage to Council records through theft / fire / damage Inability to access records	MED	Minutes and Agendas are held on the Council's website. Hard copy Minutes bound as soon as practically possible and stored in the safe until they are transferred to County Archive. Data is backed up daily on the server. A removable disk is taken off site daily. The server can be accessed away from the office. Copies of policies and some other records are also available on the website.	Existing procedure adequate.	LOW	Clerk/ Council
	Loss of Town Council Office through fire or damage	LOW	Fire arrangements are checked in accordance with the H&S Policy. Fire extinguishers are maintained by a contractor annually. The fire alarm is tested weekly. All equipment is inspected regularly. The premises are cleaned weekly. Plaza is the Council's secondary location.	Existing procedure adequate.	LOW	Clerk/ Council
	Security of Data (IT systems and support)	MED	Any confidential documents are securely destroyed. The Council's computers are password protected and have anti-virus software. The Council is registered with the Information Commissioner.	Existing procedure adequate.	LOW	Clerk/ Council
	Failure to retain or secure the necessary number of members of the Council	MED	Clerk to maintain an up to date Councillor Attendance Register. The Council has a policy for casual vacancies.	Existing procedure adequate.	LOW	Clerk/ Council
Business Continuity	Election costs	LOW	Risk is higher in an election year. When a scheduled election is due, the Clerk will obtain an estimate of costs from the District Council. There are no measures which can be adopted to minimise the risk of having elections as this is a democratic process. The Council has earmarked funds of £5,000 to meet any election costs. If this is insufficient at any time the shortfall will be met from general reserves.	Existing procedure adequate.	LOW	Clerk/ Council

Legal	Freedom of Information	LOW	The Council has adopted the Model Scheme produced by the Office of the Information Commissioner. Assistance to be sought from Monitoring Officer or NCALC as required.	Action any FOI requests in accordance with policy.	LOW	Clerk
	Governing policies not up to date	MED	All policies are reviewed annually by the Council and Clerk.	Existing procedure adequate	LOW	Clerk/ Council
	Failure to ensure that all employees are paid in accordance with Council regulations and are adequately monitored. Failure to comply with Inland Revenue and HMRC regulations	LOW	All staff have a contract of employment and job description. Payroll is outsourced. Salaries, Pensions and NI contributions and Tax are calculated by the Town Council's payroll company and authorised by the Town Council or the Finance & Devolution Committee at its meetings.	Existing procedure adequate.	LOW	Clerk/ Council/ Internal Auditor/ Internal Control
	Conflict of Interest Members Register of Interests	LOW	Councillors are required to declare where they have an interest in any item of business and this is recorded in the Minutes. Completed Register of Interests forms are submitted to the Monitoring Officer at North Northamptonshire Council and reviewed annually. Any change in a Councillor's Register of Interest must be declared. Code of Conduct has been adopted.	Existing procedure adequate.	LOW	Councillors
Legal	Minutes, Agendas, Notices & Statutory Documents: Accuracy and legality; business conduct	LOW	Minutes and Agendas are produced in the prescribed method by the Clerk, Assistant Clerk or Events Co-Ordinator and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following meeting. Minutes and agendas are displayed according to the legal requirements. Business conducted at Town Council meetings should be managed by the Chair.	Existing procedures adequate. Training/guidance given to the Chair if required. Members to adhere to the Code of Conduct.	LOW	Council
	Data Protection / GDPR	LOW	The Town Council has appointed NCALC as its Data Protection Officer. The Council is registered with the Information Commissioner.	Ensure annual renewal of registration with ICO. Annually appoint a Data Protection Officer.	LOW	Clerk

Governance & Management	Lack of knowledge of regulations and legislation	MED	Ensure that a Code of Conduct, Standing Orders and Financial Regulations are in place and are reviewed annually. The Clerk and other members of staff should be provided with relevant training, reference books and access to assistance and legal advice required to carry out their role. Councillors should also be provided with training wherever applicable. Membership of NCALC and SLCC.	Existing procedure adequate.	LOW	Council/ Clerk/ Staff
	Lack of commitment to regulations and procedures	MED	Council and Clerk to review Council's meeting and operational procedures annually.	Existing procedure adequate.	LOW	Clerk/ Council
	Action by the Council of actions outside its powers laid down by Parliament	LOW	Clerk to monitor relevant legislation and report to Council. Seek advice from other bodies where required.	Existing procedure adequate.	LOW	Clerk
	Accuracy & Legality of Minutes	LOW	Minutes are presented to the next council/committee meeting for approval. Minutes are produced for all meetings. Draft and approved Minutes are posted on the website.	Existing procedure adequate.	LOW	Clerk
	Written communication to third parties	LOW	All formal written communication/emails should be directed through the Clerk and may be signed by the Chairman or Vice Chairman when necessary.	Existing procedure adequate.	LOW	Clerk
	Engagement by Members in the operation and activities of the Town Council	LOW	Take every opportunity to publicise the role of the Town Council through the website, newsletter, Facebook and twitter. Public Open Forum Sessions are held at the start of each Council meeting. Effective use of noticeboards.	Existing procedure adequate.	LOW	Clerk
	Impact of public spending cuts	HIGH	All Councillors to be made aware that priorities must be set on the basis of the financial capacity of the Town Council to deliver. Attend training where appropriate.	Existing procedure adequate.	LOW	Clerk
	Lack of engagement by Councillors and Residents on major items of public interest	LOW	Ensure publicity through village noticeboards, Facebook, twitter, website, newsletter and leaflets.	Existing procedure adequate.	LOW	Clerk

Governance & Management	Inadequate insurance cover for members and Clerk	MED	Review Risk Assessment by including on Agenda of annual meeting. Ensure Risk Assessment is carried out for all new assets and appropriate insurance cover implemented. Review insurance cover annually.	Existing procedure adequate.	LOW	Clerk/ Council
	Failure to identify, value and maintain all assets of the Town Council and ensure that asset and investment registers are complete	MED	Record and maintain a record of all assets for which the Town Council is responsible and include in the year end accounts. Arrange for annual review of valuations where necessary and arrange for professional valuation where appropriate.	Existing procedure adequate.	LOW	Clerk
	Adoption and implementation of appropriate Government legislation	LOW	Clerk to have appropriate legislation available. Review liabilities and responsibilities periodically at Town Council meetings. Clerk to attend training and conferences and to read sector publications and keep up to date.	Existing procedure adequate.	LOW	Clerk
Assets & Property	Loss or damage to Assets. Risk/damage to third party	HIGH	An Asset Register is maintained for asset control. An annual review of any assets will be undertaken for insurance purposes. Regular risk checks of Council property. Independent check of equipment in the play areas undertaken weekly by Facilities Manager and annually by an Inspector. Any repairs undertaken by a competent person. Public liability insurance is in place.	Existing procedure adequate.	LOW	Clerk
Assets & Property	Poor maintenance of assets or amenities	MED	All assets owned by the Town Council are regularly reviewed and maintained. All repairs and relevant expenditure for any repair is actioned/authorised in accordance with the correct procedures of the Council.	Existing procedure adequate.	LOW	Clerk
	Employment of Contractors	MED	Ensure that all contractors hold sufficient public liability insurance and health and safety certificates. Contractors to be issued with the Council's requirements.	Existing procedure adequate.	LOW	Clerk
	Adequacy of meeting location. Health & Safety.	LOW	Town Council meetings will be held in the Town Council Office, which is a venue considered to have all the appropriate facilities for the Clerk, Councillors and general public. Where the Council Office is not available/suitable for meetings, an alternative venue will be found and approved by the Council.	Existing procedure adequate.	LOW	Clerk

The Town Council reserves the right to amend and update this Risk Management Scheme from time to time.

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Chairman

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Town Clerk