



BRACKLEY TOWN COUNCIL

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# Risk Management Policy

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## **1. Definition of Risk Management**

1.1 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.

## **2. Risk Policy Statement**

2.1 Brackley Town Council, hereafter referred to as BTC 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. BTC 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.

## **3. Approach to Risk Management**

3.1 BTC'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 BTC is recorded in BTC'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.

## **4. Responsibility for Risk Management**

4.1 BTC recognises that it is the responsibility of all councillors and all staff as an employees 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 BTC's objectives and community needs.

4.2 This policy has the full support of BTC 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.

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

4.4 BTC 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 updated budget information. The precept requirement is assessed at a budget meeting in January.	Existing procedure adequate
2		Requirements not submitted to NCC	L	NCC requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to the NCC. Clerk keeps record of precept request.	Existing procedure adequate Clerk to minute the precept amount
3		Precept not received	L	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, BTC 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	BTC has Financial Regulations which set out the requirements. These Financial Regulations are reviewed annually in line with the Standing Order Calendar. BTC has proven	Existing procedure adequate and will continue to seek external help as needed.

				record of seeking assistance from external auditor/accountant where appropriate.	
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. The people raising cheques (accounts assistant) 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	BTC has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. Any bank errors are discovered when the accounts assistant 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. Sub-committee to monitor quarterly
8	Cash	Loss through theft or dishonesty	L	BTC has Financial Regulations which set out the requirements. Minimal cash received and adequate security measures in place. There is no petty cash or float held by BTC.	Existing procedure adequate. Review the Financial Regulations as necessary.
9	Reporting and Auditing	Information communication	L	A monitoring statement is produced quarterly before the appropriate Council meeting, and referred to all Cllrs for examination. It is then included on the agenda, discussed and approved at the meeting.	Existing communication procedures adequate. Agendas circulated by post. Mid-year internal audit check when demanded by the internal auditor.

				<p>This statement includes bank balance and budget concerns.</p> <p>Invoices are submitted monthly for approval for payments. In the event of receipts other than precept they will be included in the agenda.</p>	
10	All Costs & expenses Debts	Goods not supplied but billed	L	All goods to be ordered are confirmed either by the Clerk if within their remit or at Council Meetings and checked by clerk who reports back.	Existing procedure adequate.
11		Incorrect invoicing	L	All invoices are check by the accounts assistant. Financial regulations set out requirement for Responsible Financial Officer checking for amounts against decisions/quotes etc.	Existing procedure adequate.
12		Cheque payable incorrect	L	Accounts assistant check invoice against the cheque book and associated paperwork. Two signatories required on cheques. Council approves the list of requests for payment	Existing procedure adequate.
13		Loss of stock	L	BTC has no stock.	Review the Financial Regulations.
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 through the Grants Panel Working Party	Existing procedure adequate.

16	Grants - receivable	Receipts of Grant	L	The Council does not presently receive any regular grants apart from the annual precept and compensating grant. One-off grants would come with terms and conditions to be satisfied	Financial Regulations and Standing Orders deal with authorisation for project expenditure and associated grant applications.
17	Charges - rentals receivable	Receipt of rental	L	All rental receipts are covered by our financial regulations. Venue bookings are all collected in advance of the booking. Market rents are collected monthly	Existing procedure adequate. Review agreement and payable fees annually according to agreement.
18		Insurance implication	M	BTC insures fixtures and fittings (including play equipment), public liability and the flag pole. The Council ensures that hirers have their own public liability insurance if necessary and asks to see a copy of their certificate	Venues Co-ordinator/Deputy Town Clerk to ensure payment and copy of insurance document received.
19	Accountability	Work awarded incorrectly	L	BTC follow their financial regulations which set out requirements for the award of contracts etc	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations.
20		Overspend on services/depletion of reserves	M	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 L	The Town Council has 13 employees. Salary rates are assessed annually by BTC at budget setting and applied on 1 April each year. Salary analysis and slips are produced by external service 'SGW Payroll' monthly	Existing appointment and payment systems for employees are adequate.

				together with a schedule of payments to the Inland Revenue (for Tax and NI). The payments are approved at BTC meetings and signed off. The Tax and NI is worked by SGW Payroll and a calculation form is emailed each month. All Tax and NI payments are submitted to the Inland Revenue monthly in advance. No office staff keep a time sheet but the ground staff do. All have a contract of employment and job description.	
22	Workplace pension	Lack of adequate provision	L	All current employers are members of the Local Government Pension Scheme.	
23	Employees	Loss of key personnel/difficulty in retaining Staff Not enough hours for role	M	Vacancy would be advertised widely. Cover would be organised by other employees. Hours reviewed on at least an annual basis.	
24		Fraud by staff	L	Limited cash handled and adequate procedures in place. 2 councillors sign cheques/authorise invoices. Bank balances reported quarterly, statements available for inspection, checked and signed by two councillors. Fidelity Guarantee included in insurance.	
25	Councillor allowances	Councillors over-paid	L	No allowances are allocated to Parish Councillors	No procedure required
26	Election costs	Risk of an election cost	L	Known elections budgeted for through reserves. By-Elections to	Officers and Councillors to monitor budget and reserves throughout the year to ensure adequate



				be provided from contingency budget	funding available if required.
27	VAT	Re-claiming/charging	L	BTC has Financial Regulations which set out the requirements. VAT claimed at least every 6 months	
28	Annual Return	Submit within time limits	L	Annual Return is completed and signed by BTC, submitted to an internal auditor for completion and signing then checked and sent on to the External Auditor within time limit.	
29	Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Town Council to be resolved and minuted at Town Council Meetings.	Responsible Financial Officer/staff and Members have a duty to implement Standing Orders and Financial Regulations
30	Minutes / Agendas / Notices / Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the Clerk/Deputy 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	
31		Business conduct	L	Business conducted at Council meetings is managed by the Chairperson.	Guidance/training to Chairperson should be given (if required) – available per CALC. Members to adhere to Code of Conduct.
32	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.	
33		Register of Members interests	M	There are criminal penalties now deterring non-completion of	Clerk arranges for forms to be re-signed annually

				Registers or declarations. Members have a duty to update their individual Register of Interests.	
34	Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal in June) of all insurance arrangements in place. Risk assessments completed as required	
35		Cost	L	Employers and Employee liability insurance is a necessity and must be paid for. Financial Regulations set out agreed process and requirements	Review insurance provision annually
36	Data protection	Loss or theft of personal data GDPR Freedom of Information	M	The Town Council is registered with the Information Commissioner. The Council has appointed a third party Data Protection Officer. A data protection audit has been carried out and all findings are being addressed. Policies for data protection, document retention, freedom of information and a privacy notice have been adopted and published.	

<b>PHYSICAL RISKS INCLUDING ASSETS AND EQUIPMENT</b>					
<b>Ref</b>	<b>Topic</b>	<b>Risk</b>	<b>H/M/L</b>	<b>Management/Control of Risk</b>	<b>Review/Assess/Revise</b>
1	Assets	Loss or damage	L	Annual review of assets is undertaken for insurance provision.	Clerk to ensure current asset list is provided to insurers. Annual verification and inspection of all equipment carried out by clerk and at least one councillor
2		Risk to third parties/property	L	Assets fully insured (£10m) Public Liability. RoSPA	

				annual inspection of play equipment carried out and additional inspection, weekly, by Street Warden	
3	Maintenance of assets	Poor performance of assets	L	All assets owned by BTC are reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned and authorised in accordance with the correct procedures of the Town Council. All assets are insured and reviewed annually.	All public amenities/land owned by BTC is inspected at least monthly by grounds staff who report any actions required. Ensure inspections and actions carried out.
4	Notice boards	Risk/damage/injury to third parties	L	Notice board locations approval by relevant parties, insurance cover. Any repairs/maintenance requirements are quickly resolved.	
5	Street furniture	Risk/damage/injury to third parties	L	The Town Council is responsible for various items (i.e. tables, seats, etc) around the town and covered by insurance. Inspections are carried out on a regular basis and all reports of damage or faults are notified and/or dealt with.	
6	Meeting location	Adequacy Health & Safety	L	The Town Council Meetings are held at Brackley Town Hall. The premises and the facilities are considered to be adequate by the Clerk as responsible officer for H&S. Meetings covered by insurance.	
7	Council records	Proper document control	L L L	All Town Councils records are stored at 20 High Street or on Citrix. Records include correspondence, minute books and copies, records such as personnel, insurance, salaries etc.	

				<p>Damage of these through damage and theft is unlikely so provision is adequate. Backups are done daily and are stored on the cloud. Paper originals are scanned and stored on the cloud. Original leases and deeds are stored at 20 High Street. These are scanned and stored on the cloud. Disposal of confidential documents – shredded.</p>	
8	Security of buildings, equipment etc		M	<p>Responsible person checks security of buildings when hirers leave. CCTV notices displayed where necessary. All Town Council buildings have intruder alarms.</p>	CCTV Policy required

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