

# BELPER TOWN COUNCIL

## RISK ASSESSMENT

### PREAMBLE & GUIDANCE

Every Council should have in place a system to help it to manage risk. This system will be simple for the smallest parishes and more complex for larger parish and town councils. A council's internal auditor may use this risk management system to help to identify what tests to carry out as part of the audit.

Risk management is important. The failure to manage risks effectively can be expensive in financial terms and also in terms of service delivery. Most clerks will already be assessing and managing risks in some way or other but there may be room to improve and document existing practices.

Members are ultimately responsible for risk management because risks threaten a council's ability to achieve its objectives. The clerk should therefore ensure that members should:

- Identify the key risks facing the council
- Evaluate the potential to the council of one of these risks taking place; and
- Agree measures to avoid, reduce or control the risk or its consequence.

Every council is different and there is no such thing as a standard list of risks. There are however a number of common themes that are likely to emerge. These might include:

- Physical assets – buildings, equipment, IT hardware etc.
- Finance – banking, loss of income, petty cash etc.
- Injury to the public – in playgrounds & recreation grounds, in village halls, at burial grounds etc
- Complying with legal requirements – agendas and minutes, burial records, etc
- Councillor propriety – declarations of interest, gifts and hospitality etc

The clerk needs to consider each of the possible risks under each of the identified schemes. For example physicals assets could be lost as a result of fire or flood, damaged by vandals, stolen or simply deteriorate through lack of maintenance.

All these risks can be minimised or transferred by various means such as taking out insurance, securing alarms or by regular inspection and maintenance. In addition to identifying risk, it is a good idea to make a judgement about likelihood of the risk occurring and its potential impact. Classification need be no more complicated than high, medium or low. There are three main ways of managing risk:

- Take out insurance
- Work with another party to reduce the risk; or
- Manage the risk yourself.

Further information can be found in 'Governance and Accountability in Local Councils in England– A Practitioners' Guide' published by SLCC and NALC in 2008.

<b>Signature of Chairman</b>		<b>Date:</b>

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Area	Risk	Level	Control (and agreed improvements)
ASSETS	Protection of physical assets	M	Insured under the council's insurance policy. RPI increases as laid down by the insurers
	Security of buildings, equipment etc	M	All buildings are secure and alarmed and connected to the police station
	Maintenance of buildings etc	L	The building is maintained by the lease holders, Belper Town Council.
FINANCE	Banking	M	All invested sums with UK bank
loss of income	Investment income	L	small amount coming from interest
	Cash handling	L	Small amounts of cash and banked as soon as practical. Cash receipts issued when money received
	Loss of cash through dishonesty	L	Absolute minimum cash, 2 cheque signatories and no individual has bank access to move funds outside accounts
	Financial controls and records	M	Reconciliation of accounts and bank balances regularly reported to council. Two signatories on cheques. Cheque stubs initialled. Internal and external audits carried out and internal control spot checks carried out
	Comply with HMRC regulations	L	HMRC deductions calculated using HMRC recommended software, RTI compliant software in place and submissions made in a timely manner
Precept	Not submitted	L	Diarise and liaise with AVBC (minimal risk as AVBC need figures for budgets and send out timely requests)
	Sound budgeting to determine annual precept	L	Budgetary preparation in autumn, prior to final agreement of the precept.

## BELPER TOWN COUNCIL

	Reserves – ensuring adequacy of general and earmarked reserves	L	Reviewed at budget meetings
	Complying with borrowing restrictions	L	None at present
	VAT reclaimed correctly	L	Diarised by RFO and reported. Check at audit
<b>LIABILITY</b>	Risk to third party, property or individuals	L	Insurances in place. Trees investigated when damage reported. Tree survey in place bi-annually. Risk assessments in place for all events and property reviewed annually
	Legal liability as consequence of asset ownership	M	As above
<b>EMPLOYMENT ISSUES</b>	Comply with Employment Law	L	Yes. Full contract in place and employers liability insurance up to date.
	Comply with Inland Revenue requirements	L	Yes
	Safety of Staff and visitors	M	3 members of staff present. Lone working conditions as per risk assessment
	Loss of clerk	L	Most records kept electronically as well as in paper form and kept on PC's laptop and backed up.
<b>LEGAL LIABILITY</b>	Liability Ensuring activities are within legal powers	M	Clerk clarifies legal position on any new proposal. Legal advice to be sought where necessary.

## BELPER TOWN COUNCIL

	Proper and timely reporting via the minutes	M	Council meets monthly and receives minutes of meetings held in interim, for approval at the next meeting. Minutes checked by members for accuracy Minutes made available to press and public at the office and via the web site.
	Proper document control & safeguarding	L	Clerk backs up data constantly to cloud server.
<b>COUNCILLOR PROPRIETY</b>	Registers of interest and gifts and hospitality in place	M	Register of interests completed. Gifts and hospitality to be advised at each meeting. Declarations of interest to be declared at each meeting. Councillors conversant with the Nolan principles of public life and obligated to adhere to the council's code of conduct
	Libel and slander	L	Insurance arrangements in place