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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Risk Number** | **Description of Risk** | **Type of Impact** | **Likelihood** | **Impact** | **Overall Risk Rating** | **Internal Controls** | **Action/**  **Mitigations Needed** |
| Governance |  |  |  |  |  |  |  |
| A1 | Breach of Confidentiality | Financial  Reputational  Strategic | 2 | 3 | 3 | Code of Conduct agreed by councillors and staff. |  |
| A2 | Non-Compliance resulting in legal action against the Council | Financial  Reputational | 1 | 3 | 3 | Insurance inc. Fidelity guarantee, qualified Town Clerk, and staff. Access to legal advice via NALC and insurers. Risk assessments on processes and projects. |  |
| A3 | Resources inadequate for the Council’s priorities/needs | Financial, reputational, strategic | 1 | 3 | 3 | Annual revenue budget planned and monitored. Monitored quarterly  By the finance  committee of the council. Reserves and investment policies in place. Financial regulations applied. |  |
| A4 | Ineffective management and use of assets | Financial, reputational, strategic | 1 | 3 | 3 | Develop strategic plan and 3-year financial plan |  |
| A5 | Reduction in income | Financial, strategic | 2 | 2 | 4 | Planned budget, prudent estimates of income, regular monitoring |  |
| A6 | Budget overspend/variation | Financial, reputational, strategic | 1 | 2 | 2 | Progress against budget reviewed quarterly by the finance committee, with earmarked and general reserves. |  |
| A7 | Planning applications and other consultations not responded to within timescales | Reputational, strategic | 1 | 3 | 3 | Qualified Town Clerk supported by competent staff, scheme of delegations. Trained councillors |  |
| A8 | Inadequate record keeping leading to poor decision making | Financial, reputational, legal, strategic | 1 | 3 | 3 | Electronic record keeping.  Councillor training |  |
| A9 | Loss of Proper Officer - eg long term sickness, vacancy | Financial, legal, and strategic | 1 | 2 | 2 | Locum clerk services available via LGRC, SLCC and others. |  |
| Services | including | Community |  |  |  |  |  |
| B1 | Compliance eg failure to obtain necessary licenses | Financial, reputational, legal, | 1 | 3 | 3 | Risk assessment for all events, H&S and legal advice available from NALC, insurers. Notify insurers of all new activities. All activities to be authorised by council in accordance with scheme of delegations. |  |
| B2 | Public liability ie damage to people or property caused by council members  ,staff, volunteers, or contractors | Financial, reputational, legal, | 2 | 3 | 5 | Insurance including public liability, H&S advice available, risk assessments completed for all services and events. Contractor management system to be adopted |  |
| Members/ | Employees/Others |  |  |  |  |  |  |
| C1 | Theft, fraud, property crimes by staff - deliberate action by individuals. | Financial, reputational, legal, | 1 | 3 | 3 | Financial regulations and procedures regularly updated, regular internal audit, segregation of duties and regular scrutiny by officers and members. Appropriate recruitment selection procedures. Physical cash handled verified by second member of staff whenever practicable. Regular audit and review of internal controls. |  |
| C2 | Inappropriate behaviour by staff or members | Financial, reputational, legal, | 2 | 3 | 5 | Code of conduct and HR training for councillors.  Training, employee handbook and appropriate management procedures for staff. | Little in the way of sanctions but have signed up to Civility and Respect. All councillors and staff to attend training. |
| C3 | Inappropriate behaviour by others | Financial legal | 2 | 3 | 5 | Insurance, H&S training for staff, risk assessments for activities. Lone working avoided when practicable. | Letter baring a member of the public sent. This runs out shortly and the offender is at large in the community. |
| C4 | Injury or poor work when lone working | Financial, reputational | 3 | 3 | 6 | Lone working policy to be adopted and included in handbook, training to be given, mobile phones for all staff who are lone working, movement records maintained, | Home working assessment need re doing  These are to be done annually now we have regular working from home |
| C5 | Threat of or actual violence to staff/councillors | Reputational, financial | 1 | 3 | 3 | Insurance, training, risk assessment for all activities, mobile phones for lone workers, lone working avoided where practicable. See Separate H&S Documentation |  |
| C6 | Accident or injury in course of duties | Reputational, financial, legal | 1 | 3 | 3 | H&S Handbook issued to all employees, H&S review annually, H&S advice from EW and insurers, risk assessments undertaken for all activities, PPE issued, and use of PPE monitored training. See Separate H&S Documentation |  |
| C7 | Loss of experienced staff - high staff turnover | Financial, reputational, legal, strategic | 2 | 3 | 5 | Code of conduct and HR training for councillors.  Training, employee handbook and appropriate management procedures for staff. | Training still needs to be done by Councilors |
| C8 | Employment issues eg high absence levels, poor performance, poor management affecting productivity and well being | Financial, reputational, legal, strategic | 2 | 3 | 5 | Training for all HR Committee, employee handbook and appropriate management procedures for staff eg RTW interviews, appraisals, grievance procedures. Regular reports from clerk to full council. | Again training needs to be done |
| C9 | Contractor Issues - underperformance or other losses caused by delivery of services by third parties | Financial, reputational, legal, strategic | 2 | 3 | 5 | Formal contractor management system to be introduced, regular visual inspection of works, service level agreement for all new ongoing contracts | This is in place but we need to be vigilant particularly when taking on work on behalf of MKCC |
| Finance |  |  |  |  |  |  |  |
| D1 | Failure to set or demand the precept | Financial  Reputational | 1 | 3 | 3 | Precept meeting date set in annual calendar, trained clerk, financial regulations, and budgeting process understood by staff and councillors. | Finance training for Finance committee |
| D2 | Failure to Collect or review charges | Financial  Reputational | 2 | 3 | 5 | Financial regulations and working procedures in place | Ensure all charges are reviewed as part of the budget proceedure |
| D3 | Unauthorised expenditure and/or purchasing those results in loss | Financial  Reputational | 2 | 3 | 5 | Decision making structure laid out in scheme of delegations, financial regulations in place. Purchase order system in place, finance officer authorises POs. Invoices matched to POs. All expenditure has Clerk +  two councillors  authorisations before all payments (except individual petty cash and bank card transactions) Finance Officer checks all paperwork prior to approval. | Training for staff and council to understand processes. |
| D4 | Electronic accounts  Systems failure, no access to records | Financial  Strategic | 1 | 3 | 3 | Accounts provider has backups. The finance officer and at least one other member of the team can access the systems. | Accounts system now cloud based and regularly backed up |
| D5 | Unexpected Expenses | Financial | 2 | 3 | 5 | Financial regulations and budgeting in place. Appropriate reserves held. | Council informed and budget reviewed. Office research alternative funding |
| D6 | Control of bank accounts eg insufficient monies to cover expenditure, inability to access accounts, misuse of bank accounts by staff. | Financial  Reputational  Strategic Legal | 2 | 3 | 5 | Financial regulations and procedures in place which include internal controls ie segregation of duties, all payments require two councillor authorisations, passwords and ids kept securely, no payments authorised without supporting paperwork, bank reconciliations presented to Finance committee quaterly, Clerk and two Councillors check original statements against reconciliations on a weekly basis. Financial administrator and RFO have access to online statements and cheque balance and cash flow on a regular basis. Transfers of funds between accounts conducted in accordance with financial regulations. Working funds of at least £50,000 are made up if requires by transfers to current account each month from reserves. Cash and cheques banked at least weekly if presented. | Cash and cheques are much less used than pre Covid.  Look into cashless options |
| D7 | Credit /debit cards | Financial  Reputational + Legal | 1 | 3 | 3 | Policy in place.  The credit card remains in the safe unless needed. The fuel card like wise. |  |
| D8 | Petty Cash and Cash handling | Financial  Reputational  + Legal | 1 | 3 | 3 | All cash is kept in a locked safe in an alarmed building. Should substantial amounts accrue two members of staff will deposit the cash.  GoCardless has been introduced to reduce cash transactions | Other cashless froms of payment are to be investigates |
| D9 | Collapse of Banks | Financial  Reputational | 2 | 3 | 3 | All funds are held in accounts with UK banks and more than one provider. A Treasury and Investment Policy has been adopted. |  |
| D10 | Debtors Payments not received | Financial | 1 | 2 | 2 | Debtors' reports are on Scribe and monitored by the finance officer. If necessary legal action is taken |  |
| D11 | Outsourced payroll: Salaries not paid, NI +PAYE not collected correctly. Over payment or payment for hours not worked. Provider can no longer provide the service. Misconduct by a provider employee | Financial  Reputational | 1 | 2 | 3 | Payroll expenditure is checked and authorised by the clerk and two councillors.  The payroll agents are suitably qualified and insured. Other suitable providers are available. |  |
| D12 | Direct Debits misused or not controlled eg collected after contract has expired | Financial  Reputational | 1 | 2 | 2 | Financial regulations determine  procedures for direct debit use. Bank statements checked monthly. Members review direct debits annually |  |
| D13 | Outsourced accounting: Current company either longer providing the service, misconduct, or poor service | Financial  Strategic | 1 | 3 | 3 | Alternative provider can be sourced. Cost may be incurred if it is at short notice. | Check current contract, the provider may be required to pay any additional costs. |
| IT |  |  |  |  |  |  |  |
| E1 | Server Failure or other reason for loss of electronic data | Financial  Reputational  Strategic Legal + IT | 2 | 3 | 3 | DATTO backups taken externally on an hourly basis |  |
| E2 | Hacking/security threats | Financial  Reputational  Strategic Legal + IT | 1 | 1 | 3 | IT security to be reviewed annually. Firewalls and virus checkers in place. IT policies restrict access to the Council computer system | Two factor authentication |
| E3 | Breach of confidentiality- failure to comply with Data protection or other  legislation | Financial  Reputational  Legal  +IT | 1 | 3 | 3 | Server is segregated and staff profiles are restricted on a need-to-know basis. Password protection on highly sensitive information. The counicl is registered with the ICO and employs a data controller for case work | Encrypription should be considered when transferring sensitive data eg pay roll |
| E4 | Website Failure | Financial  Reputational +IT | 1 | 3 | 3 | Website hosted externally, with appropriate backups |  |
| E5 | Fire/Flood leading to physical loss of documents | Financial  Reputational  Strategic +  Legal +IT | 1 | 3 | 2 | Deeds and legal hard copy documents stored in fireproof safe | Key documents to be scanned.  Minutes are not securely stored. Archiving arrangements need to be considered |
| E6 | Misuse of remote desktop and improper use of Council data eg copying data/server to home computer | Financial  Reputational  Strategic +  Legal + IT | 1 | 3 | 3 | Two factor authentication |  |
| Property and | Premises |  |  |  |  |  |  |
| F1 | Asbestos Management – all Council owned and leased buildings/land | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 | Asbestos register to be maintained for all premises. See separate H+S documentation | Asbestos reviews done this year. To be regular at locations where asbestos was located. |
| F2 | Buildings not maintained resulting in damage to property or people- all Council owned and leased buildings/land | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 | Public Liability insurance: All buildings inspected and included in annual H+S review: Budgets to include maintenance for all Council premises | Cyclical maintenance to be documented. |
| F3 | Theft – all property | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 | Insurance.  Up to date asset register and controls on equipment. Key holding and access arrangements reviewed annually |  |
| F4 | Criminal Damage/vandalism - all locations | Financial  Reputational  Strategic +  Legal | 2 | 3 | 5 | Insurance: Alarms at Town Hall and Hodge Lea Meeting Place | Insurance policies difficult to get and at-risk if regular claims are made |
| F5 | Fire – all locations | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 | Insurance: Fire risk assessments for all locations except allotments. See separate H+S documentation | Weekly fire alarm checks introduced |
| F6 | Flood – all locations | Financial  Reputational  Strategic +  Legal | 1 | 3 | 2 | Deemed if occurs to be in small localities |  |
| F7 | Personal Injury- all locations | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 | Insurance: See separate H+S documentation, council policy and procedures |  |
| F8 | Inadequate budget provision- all locations | Financial  Reputational  Strategic +  Legal | 1 | 2 | 2 | All locations included in budget planning. Regular condition surveys+  Maintenance cycles to be introduced | Cyclical maintenance programme to be included in the Strategic Plan |
| F9 | Vehicles –loss theft or damage | Financial  Reputational  +Legal | 1 | 3 | 3 | Insurance. See also H+S documents, policies +procedures for staff use of vehicles.Risk assessments + traffic management for events |  |
| F10 | Double Bookings eg Hodge Lea Meeting Place | Financial  Reputational | 1 | 2 | 2 | Electronic Booking System in place | New booking system in place and working well |
| F11 | Faulty equipment resulting in fire /injury | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 |  |  |
| F12 | Purchase of unnecessary equipment | Financial Reputational | 1 | 3 | 3 |  |  |
| F13 | Lack of PPE | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 |  |  |
| F14 | Tenancy Management -  Allotments | Financial  Reputational  Strategic +  Legal | 1 | 3 | 3 | Legal advice from NAA +NALC  Regular review of services | Allotment Strategy to be developed |
| F15 | Stock Control –goods/service billed not received | Financial | 1 | 2 | 2 | Financial regulations in place |  |

KEY

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| --- | --- |
| On track |  |
| In need of work |  |
| High Risk |  |

Likelyhood = the chances of something happening

Impact = the effect on people and the organisation

These are numbered 1-3 with the overall risk rating 1-6

Those that are red 5-6 are both highly likely with a significant impact as an organisation mitigation must be in place however the risk may remain red.

02.04.24 to be added in:

Risk of sharing of passwords which are linked to officer staff individual phones for gmail etc