



BIDEFORD TOWN COUNCIL

RISK ASSESSMENT AND MANAGEMENT POLICY AND RISK REGISTER

POLICY

1. Introduction

1.1. Bideford Town Council has adopted this risk management policy in accordance with guidance set out in Governance and Accountability for Local Councils – a Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group (JPAG) and also to give effect to the Health and Safety at Work Act 1974.

1.2. This document sets out the:

- Town Council's Risk Management Policy
- Objectives of Risk Management
- Types of Risk
- Roles and responsibilities
- Risk Management process
- Approach to future monitoring

1.3. This policy aims to further develop risk management and raise its profile across the Town Council by:

- Integrating risk management into the culture of the organisation;
- Embedding risk management through the ownership and management of risk as part of all decision making processes;
- Managing risk in accordance with best practice.

2. The Policy

2.1. Bideford Town Council recognises that it has a responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

2.2. The Town Council is aware that some risks can never be eliminated fully and its strategy provides a structured, systematic and focussed approach to managing risk.

2.3. Risk Management is an integral part of the Town Council's management processes.

3. Objectives of Risk Management

3.1. The objectives of risk management are to:

- Identify, evaluate and manage the opportunities and risks to which the Town Council is exposed, at strategic and operational level;
- To protect physical assets, promote employee and public safety and maximise resources;
- Embed risk management into day to day management and working arrangements;

- Enable effective and safe delivery of services to local people and to minimise the risk of significant failures
- Enable the identification of opportunities and risks associated with the Council's budget options and business planning to ensure that opportunities and risks are controlled;
- Enable better, more informed decision making at all levels;
- Review, evaluate and implement issues identified from past experience;
- To promote good corporate governance;

3.2. It is the responsibility of all Members and staff to have regard for risk management whilst carrying out their duties.

3.3. This Strategy will enable risks and opportunities to be identified, evaluated, controlled, monitored and reported.

3.4. Seek assurances that action(s) are being taken on risk related issues identified by auditors and inspectors.

4. Types of Risk

4.1. In order to manage risk, the Council needs to know what risks it faces. Identifying risks is therefore the first step in the risk management process.

4.2. The Council will identify the key risks to achieving its priorities and service objectives:

- i. financial - loss of money;
- ii. security - fraud, theft, embezzlement;
- iii. property - damage to property;
- iv. legal - breaking the law or being sued;
- v. IT – failure of IT systems or misuse; and
- vi. reputational – actions taken could harm the authority's public reputation.

5. Roles and Responsibilities for Risk Management

5.1. All Members and staff of the Town Council are responsible for risk management.

5.2. All Members:

- Have collective responsibility in understanding the strategic risks which the Town Council faces.
- Ensure that all identified risks have been considered in decision making and countermeasures and controls are defined.
- Agree and publish a clear Risk Management Policy and oversee the effective management of risks by the Town Clerk.
- Monitor the effectiveness of the Town Council's risk management arrangements by reviewing any risk management reports to Council.

5.3. Town Clerk:

- The lead officer for risk management and owner of the Risk Management Strategy.
- Has the responsibility to understand the strategic and operational risks that the Town Council faces and to oversee the effective management of these risks by officers.
- Lead on the corporate governance agenda which includes risk management and with the Council's Chair approve the Annual Governance Statement.

- Ensure that risks are fully considered in all strategic decision making and that the Risk Management Policy helps the Town Council to achieve its objectives and protection of assets.
- Provides advice as to the legality of policy and service delivery and update the Town Council on the implications of new or revised legislation.
- Assess and implement the Council's insurance requirements.
- Assess the financial implications.

5.4. Staffing, Finance and General Purpose Committee:

- Support the Town Clerk in all aspects of risk management.
- Understand the strategic and operational risks that the Town Council faces.
- Ensure that a structured and systematic approach is in place for the identification, recording and reporting of risks and opportunities.
- Ensure that risks are fully considered in all decision making and that the Risk Management Strategy helps the Town Council to achieve its objectives and protection of assets.
- Assist in embedding a culture of risk management through the Town Council and encourage appropriate training, including induction and refresher training for staff.

5.5. All Employees:

- Understand their accountability for individual risk.
- Understand how they can enable continuous improvement of risk management.
- Understand that risk management and risk awareness are a key part of the organisations culture.
- Report systematically and promptly to the Town Clerk any perceived new risk or failure of existing control measures.
- Record areas of risk which fall directly within their day to day areas of control and review in line with agreed target dates.
- Provide a pro-active role in the reporting and assessing of physical risks in respect of public, staff and property.

5.6. Role of Internal Audit:

- Provide a scrutiny role by carrying out audits to provide independent assurance to Members, via the Internal Auditor's annual audit plan and post audit report that the necessary risk management systems are in place.

6. The Risk Management Process

6.1. The process of risk management is straight forward and involves a number of key steps which are outlined below.

7. Step 1: Identification of Risks

7.1. The Town Clerk is responsible for identifying and recording any risks. Identification will be either via a formal process of planned inspections or ad hoc requests or risks being noted through everyday working situations.

7.2. When changes to working arrangements, new initiatives, events or projects are to be undertaken the Clerk will seek to identify any risks early in the planning process and prior to implementation.

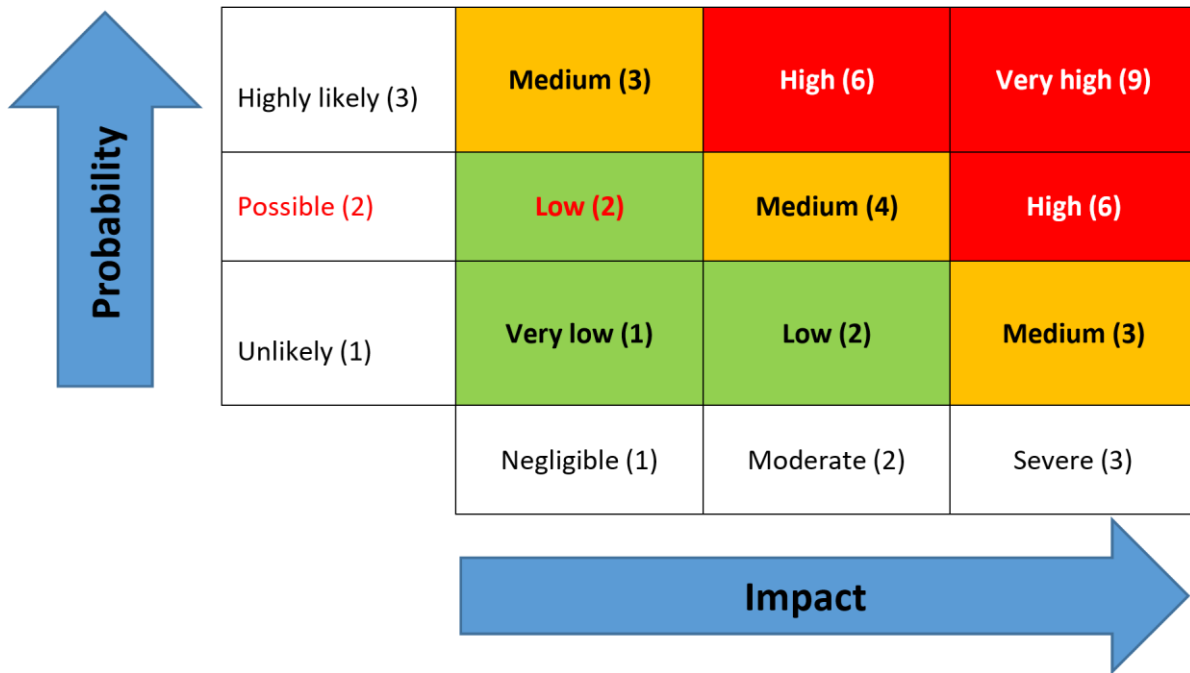
7.3. Each risk should be described and set out on a risk assessment form.

7.4. All risks identified must be recorded on the risk register.

8. Step 2: Evaluation of Risks

8.1. On identification of a risk the Clerk will assign a risk level by reference to the risk matrix.

8.2. The risk matrix considers the likelihood of a risk materialising and the impact it would have.



8.3. According to the level of risk identified appropriate action should be taken.

8.4. If the level of risk is high it may not be possible to wait until a formal response or action has been agreed by the Council. The risk level table below provides guidance in assessing appropriate action.

Risk Level		Action
High	Very High/ High	Immediate notification to Chair, Vice Chair and Chairs of Staffing, Finance and General Purpose Committee. Identify remedial action for consideration and implementation.
Medium	Medium	Immediate notification to Chair and Vice-Chair and Chairs of Staffing, Finance and General Purpose Committee.
Low	Low	Notify Chair and Vice-Chair and Chairs of Staffing, Finance and General Purpose Committees.

8.5. Where remedial action incurs non-budgeted costs of £500 or over these should be reported to the Staffing, Finance and General Purpose Committee or Council at the earliest opportunity.

9. Step 3: Mitigation of Risk

9.1. The Town Clerk should consider what controls are in place to mitigate the risk. These could include controls to reduce the likelihood of a risk occurring or to reduce the impact on the Town Council.

9.2. Only existing controls that are already in place should be considered and included on the risk assessment/notification form.

10. Step 4: Decide on Any Further Action to be Taken

10.1. Following evaluation there are four main control options to manage the risk:

- Terminate the risk – take a decision to discontinue the activity.
- Transfer the risk – the risk is ‘passed’ on e.g. to an insurer.
- Treat the risk – put in place additional effective controls to reduce the impact or likelihood.
- Tolerate the risk – accept the risk but continue to monitor and evaluate.

10.2. Where additional controls are required these should be agreed with the Chair, Vice-Chair and Chairs of the Staffing, Finance and General Purpose Committees and details entered onto the risk assessment form and the Town Council notified at its next meeting.

11. Step 5: Allocation of Responsibility

11.1 Each risk should be passed to the Town Clerk who will be responsible for implementing controls and ensuring they are working. The Clerk will also be responsible for monitoring the risk.

12. Step 6: Completing the Risk Register

12.1 All completed risk assessments must be passed to Chair of the Finance & Strategy Committee for checking prior to entering onto the risk register.

13. Step 7: Monitoring and Reporting

13.1 An annual review of the current risk register and risk management arrangements for the Town Council will be conducted by the Staffing, Finance and General Purpose Committee and reported to the Full Council.

13.2 The Town Council’s risk management strategy will be also reviewed as part of the internal control environment within the Annual Governance Statement. This is agreed annually by the Town Council.

RISK REGISTER

Area	Risk	Level	Control (and agreed improvements)
Assets	Protection of physical assets	M	Pannier Market held on 99 Year Lease from District Council. Buildings insurance cover provided through District Council’s insurance policy. Contents insured via Zurich. Civic assets held securely in the Mayor’s Parlour, Town Hall

			and Chubb Safe. The location of the civic assets is secure, and alarmed outside of office hours. All contents have been valued by a professional valuer, and they are insured via Zurich.
	Security of buildings, equipment etc.	H	Town Hall is property of District Council. Offices set aside within building for Town Council. Alarms fitted to Pannier Market, and Town Hall. Contents insured.
	Maintenance of buildings etc.	M	Responsibility for maintenance of Pannier Market is that of the Town Council. Maintenance to building is ongoing.
Finance	Banking	M	Bulk of investment is held in 30 day business accounts with regular monitoring of account balances by both Town and Deputy Town Clerk.
	Risk of consequential loss of income	M	Business interruption cover. (Sum insured £70,000) Important documents are kept in safe).
	Loss of cash through theft or dishonesty	(23 H)L	Receipts issued for all transactions. Market Administrator holds very small amounts of cash. Takings are handed over to Market Administrator and checked against payment receipts. Monthly reconciliations carried out by Market Administrator and RFO. Insurance cover level for money carried in transit is monitored. Regular Pannier Market traders are encouraged to make payments by Standing Order.
	Financial controls and records	M	Weekly reconciliation carried out by RFO. Quarterly reconciliation together with expenditure against budget carried out by RFO and audited by Council's appointed Internal Inspector of Finances and submitted to Town Council. Two signatories from four nominated councillors required for cheque. Bacs payments lists authorised at an appropriate meeting or on occasion by Town Clerk, Mayor and Chair of SFGP if urgent payment required. Subject to internal audit. Financial Regulations reviewed annually.
	Comply with Customs and Excise Regulations	M	VAT claims calculated by RFO and submitted quarterly. Independent auditor to provide additional assurance.
	Sound budgeting to underlie annual precept	M	Market Management and Staffing, Finance & General Purposes Committees receive detailed budgets in the late autumn/ early January which then go to Council for approval. Precept derived directly from this. Expenditure against budget reported to Council on a quarterly basis.
	Complying with borrowing restrictions	L	A Public Works Loan Body application for £500,000 has been approved and partially drawn down. A full business case has been generated and the repayment conditions will be met.
Liability	Risk to third party, property or individuals	M	Insurance cover in place. Inspections carried out on a regular basis for damage. Maintenance contracts in place for arboriculturally related work and Christmas lighting. Outdoor gym equipment checked weekly. Maintenance Operatives check Ford Woods weekly and other areas owned by the Town Council.

	Legal liability as consequence of asset ownership	(23 H)M	Insurance cover in place. Maintenance programmes in place. Risk assessments to functions where maintenance contracts are held are carried out by the contractors. All other risk assessments to be done 'in-house'.
Employer Liability	Comply with Employment Law	M	Membership of various national and regional bodies including NALC, SLCC and South West Employers Organisation. Good communications maintained with all staff, and professional advice taken when required.
	Comply with Inland Revenue Requirements	M	External accountant engaged to calculate PAYE and submit returns and advise on Inland Revenue Requirements. Independent and External auditors carry out annual checks.
	Safety of Staff and Visitors	M	Camera and combination lock fitted to restrict access to offices. Safe operating procedures in place.
Legal Liability	Ensuring activities are within legal powers	(23 H) L	Clerk clarifies legal position on any new proposals. Legal advice sought where necessary.
	Proper and timely reporting via the Minutes	M	Council meets on a six weekly cycle and approves and adopts the Minutes of Committees. Agendas/ Minutes are made available to the press and public at the Town Hall and via the web site.
	Proper document control	M	Leases and legal documents in brick/metal safe on ground floor. Other data storage to comply with General Data Protection Regulations.
Councillor propriety	Registers of Interests and gifts and hospitality in place	(23 H) M	Register of Interests completed. Register is available at each Council meeting.

This risk management paper was presented to the SFGP Committee on 8 February 2024 and will be reviewed again in 12 months.