

## **Keighley Town Council Risk Assessment policy**

*To involve members and officers in the ownership and accountability for corporate success and appropriate management of the associated risks.*

### **Definition of Risk**

An uncertainty of outcome of actions or events which impacts upon the Council achieving its objectives.

### **Policy**

1. The Council is committed to good risk management, allowing it to:
  - a) have increased confidence in achieving its objectives;
  - b) constrain threats to acceptable levels (i.e. within its risk appetite);
  - c) take informed decisions about exploiting opportunities; and
  - d) assist the Town Clerk in completing the annual governance statement.
  
2. The Council recognises that in order to achieve its objectives it must manage risk within its risk appetite. Where risks lie beyond the risk appetite, members and officers will take appropriate action to reduce those risks. A schedule of corporate risks will be maintained in a corporate risk assessment for review and approval by members. The approach to scoring risks in terms of impact and likelihood will be defined as part of the corporate risk assessment to enable a consistent way of determining the Council's risk appetite.
  
3. In addition to corporate risk, members and officers have a responsibility to assess and appropriately manage risk as part of the evaluation of project proposals, business cases and grant applications. Officers will include the detailed outcome of project and business case risk assessment in any Council agenda item that considers major financial investment. Responsibility for assessing and managing Health and Safety risks associated with Council activity and events will be managed by the Town Clerk with methods of safe working communicated to and adhered by members, officers and contractors.
  
4. Officers are responsible for assessing and managing risk as an integral part of their day-to-day role in ensuring the Council's objectives are met, recognising that all risk categories must be considered, including reputation, health and safety and financial risk. Where risks are identified which have the potential to impact upon the Council's objectives, these will be referred to the Town Clerk for consideration for inclusion in the corporate risk assessment.
  
5. Members are required to at least annually review this risk assessment policy and the corporate risk assessment. This will include:
  - a) reviewing the risk assessment rating criteria, risk appetite and approaches to managing risk;
  - b) identifying and updating the schedule of risks;
  - c) evaluating the likelihood and potential impact to the Council of each risk materialising;
  - d) deciding upon measures to avoid, reduce or control each risk, as appropriate; and
  - e) recording the decisions reached.

**Organisational Arrangements**

6. The Town Clerk will ensure that all officers are aware of their responsibility in managing and reporting risk. Each officer shall make appropriate arrangements to ensure risk is continually assessed in relation to their area of responsibility.

7. The Town Clerk, advised by officers as required, will initially review the corporate risk assessment at least annually in advance of it being submitted to the Council for review and ultimate approval.

8. The Council in its Forward Work programme will make arrangements to approve the risk assessment policy and corporate risk assessment on at least an annual basis.

**Keighley Town Council  
Risk assessment rating criteria**

<b>LIKELIHOOD</b>	Highly probable 76-99%	<b>4</b>				
	Probable 51-75%	<b>3</b>				
	Possible 26-50%	<b>2</b>				
	Unlikely 1-25%	<b>1</b>				
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
			Minor	Moderate	Serious	Major
			<b>IMPACT</b>			
<b>FINANCIAL IMPACT</b>			Loss of up to £1000	Loss of up to £10,000	Loss of up to £50,000	Loss of over £50,000
<b>and/or REPUTATIONAL IMPACT</b>			Minimal / localised damage to reputation	Damage to reputation within the town	Damage to reputation within the region.	National damage to reputation; intervention by Government
<b>and/or HEALTH &amp; SAFETY IMPACT</b>			No health and safety impact	Minor injury, possibly requiring treatment by health care professional	Serious injuries	Fatality or life-changing injuries

**Keighley Town Council**  
**Risk appetite and approaches to managing risk**

<b>LIKELIHOOD</b>	Highly probable 76-99%	<b>4</b>		<b>TREAT (take action to reduce risk exposure by introducing measures / controls)</b>		<b>TERMINATE (ie stop the activity that generates the risk)</b>
	Probable 51-75%	<b>3</b>				
	Possible 26-50%	<b>2</b>				
	Unlikely 1-25%	<b>1</b>	<b>TOLERATE (an informed view reached that the risk is accepted)</b>			<b>TRANSFER (usually via insurance or other contractual arrangement)</b>
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
			Minor	Moderate	Serious	Major
<b>IMPACT</b>						

Risks rated as **GREEN** are within the risk appetite of the Council. It is unlikely that further additional measures are required to control these risks. These risks may be **tolerated** by the Council

Risks rated as **AMBER** are within the risk appetite of the Council, however further additional measures may be needed to **treat** (i.e. control) the risks and so reduce exposure OR to consider risk **transfer** e.g. via insurance, franchising or other contractual arrangement. The Council must be periodically advised of amber risks and the action planned and/or taken to control them.

Risks rated as **RED** go beyond the risk appetite of the Council. Immediate action is required to bring the risk within the Council's risk appetite or, if this is not possible or desired, to **terminate** the activity that creates the risk. The Council must be immediately advised of red risks and regularly updated on the action planned and taken to control them until they are within the risk appetite of the Council. *Any action taken must be in accordance with the Council's Standing Orders and Financial Regulations.*

Keighley Town Council  
CORPORATE RISK ASSESSMENT, DECEMBER 2016

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>FINANCIAL</b>							
Poor audit report	2	2		<p>RFO and TC fully support External and Internal auditors in their fieldwork and reporting stages. Changes are implemented from the previous year's audit recommendations. Members and officers are trained in those areas which have resulted in critical audit findings including the scope to utilise available powers. Revised Financial Regulations are approved and adopted by Council.</p> <p>Members and Officers continue familiarise themselves with internal controls and following financial regulations.</p> <p>Officer Support at Council meetings to ensure decisions are made lawfully</p>	Members to continue to attend training provided by the Council's training providers.	Ongoing  Ongoing	TC & RFO  TC
Business cases neither robust nor subject to sufficient scrutiny	2	2		Reference to need for project and business case risk assessment in revised Financial Regulations. Risk assessment policy makes specific reference to the responsibility of members and officers in having absolute clarity of proper risk assessment when considering business cases that require major financial commitment.		Ongoing	TC

			Members and Officers to continue familiarising themselves with internal controls and following financial regulations.			
Partial or whole loss of Local Council Tax relief grant	3	1	NALC /SLCC are lobbying Government to compel principal authorities pass grant on.  The Council has allocated a reserve budget in case this is removed by the principal authority.	Discuss position with CBMDC to obtain assurance that grant will be maintained for 2018/19 Budget Working Group to consider options with and without the grant.	Dec-17	RFO
Breach of Financial Regulations	3	2	Members and officers are required to comply with Financial Regulations. Members undertake own review of control environment. Auditors advise of areas of weakness. Training provided to members and officers since the review of the Financial Regulations.	RFO to work closely with members and officers to ensure compliance of Financial regulations	Ongoing	RFO
Council overspend	3	2	Areas of spend closely monitored by RFO and Committees. Regular reporting to Council. Decisions taken when risk of overspend arises. The Officers are responsible for the allocated spend of their own budgets under the Scheme of Delegation and to make sure they do not exceed the limit.	Details of committed spend provided to members to inform decision making through the year and at budget planning stage.	Ongoing	RFO
Adverse market conditions affect income generation resulting in a burden for the taxpayer (museum, allotments, café, room bookings)	3	2	Catering facilities currently closed, museum closed from April 2015. Demand for allotment facilities exceeds supply therefore risk in this area low. Income budgets are based on actuals for the previous year and also based on contractual commitments agreed for the next year.	Any transfer of catering facilities to a operator will further reduce this risk exposure. Civic Centre strategy/business plan is being developed with clear assessment of financial risk exposure of each option. Clarity of risk transfer defined in any contract with operator / tenant.	Mar-18  Ongoing  Ongoing	TC  TC  TC

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Damage to or loss or theft of assets	3	2		<p>All valuable assets (except community assets) locked securely at Civic Centre or Town Hall. Insurance in place for contents and some community assets. CBMDC holds title to the Civic Reaglia and a loan agreement is in place. The Town Council is responsible for the insurance of civic regalia. The Mayor and Officers ensure its safe stewardship whilst in the care of KTC. There is a Building security in place for the Civic Centre.</p> <p>Allotment sites have secure boundaries as appropriate which are regularly inspected. Liaison with Police if necessary. Revised asset register and new asset policy approved by Council. F&amp;A sub-committee carries out an annual review of the asset register,</p>	<p>Security policy drafted and approved.</p> <p>Members and officers responsible for compliance of policy.</p> <p>A detailed risk assessment will be undertaken for each Civic visit that warrants that assessment based on the criteria/scope of the assessment. The assessment will also be based on the types of chains to be worn and the security measures required.</p> <p>The Council is to appoint a Mayors security officer as soon as possible.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Dec'17</p>	<p>TC</p> <p>DTC + TC</p> <p>TC</p>
Incorrect VAT claim	2	2		<p>RFO scrutinises all invoices received to assess whether they can be validly included in the VAT claim. Cessation of catering trading has reduced exposure to output VAT errors. Councillors and officers are reminded of procedures in which a VATable supply may be (or may not be) claimed back from HMRC.</p>			
Grant funding / joint project funding not used appropriately	2	2		<p>System of checks undertaken to ensure capacity and capability of applicant and that the application meets KTC objectives.</p>		Ongoing	TC

			<p>Applicant signs grant funding contract. High value grants / joint funding projects subject to officer inspection. Condition of grant funding is that there is recognition of KTC funding.</p> <p>It is a condition of joint project funding that 'with the support of KTC' is referred to on asset, if possible, and included in promotional materials and press coverage. Applicants are also advised to complete the grant expenditure form within six months on completion of their project.</p>			TC
Incomplete or inaccurate financial records	3	2	<p>RFO has the qualifications and experience to fulfil role and undergoes training to build on this.</p> <p>Expenditure scrutinised by Finance &amp; Audit Committee. All committees are responsible for approving their own expenditure.</p>	Council to consider appointing an accounts assistant as recommended by the internal auditor in December 2016 to ensure that there is adequate internal controls in place for the RFO who carries out the combined role of Town Clerk/RFO	Jan'18	TC
Precept inadequate to meet financial commitments	3	1	<p>Precept calculated with regard to Council's projections and existing commitments in conjunction with Finance &amp; Audit Committee and Budget Working Group. Clarity provided by the RFO on impact of different precept options. Provision exists for shortfall in precept income.</p>			
Annual return submitted late	3	1	<p>Task is within RFO's work plan and is critical to the External Auditor's work. TC/RFO to ensure work is planned, completed accurately and to time. TC/RFO to ensure that the Council approve the annual accounts in advance of the public inspection window period</p>			



Insurance inadequate for purposes	3	2		Annual reviews take place with insurers to ensure cover is adequate and not excessive. Officers aware of the insurance cover and fulfil the stipulations required of insurers (if any) to ensure the cover is not invalidated.	<p>The Allotments Officer is responsible for reviewing all allotment assets and to assign a replacement value for insurance purposes.</p> <p>The Town Clerk is to add a replacement value column on the asset register and add a replacement value for each asset</p> <p>The Council is required to obtain additional public liability insurance cover in the case where the insurers are dealing with a Public Liability claim</p>	<p>May-18</p> <p>May-18</p> <p>Ongoing</p>	<p>AO + TC</p> <p>TC</p> <p>TC/ RF/ DTC</p>
Banking errors and charges arising	2	1		Bank reconciliations undertaken monthly. Banking is with a reputable organisation and is subject to a business banking contract which makes clear the banks and the Council's responsibilities. The RFO advises that the Council's responsibilities are fulfilled.			
Loss or theft of cash	1	2		Fidelity insurance in place. Cash holdings are minimal. Safes used. Procedures in place to ensure safekeeping. Liaison with Police if necessary.			

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>GOVERNANCE</b>							
Spend and activity in areas in which the Council has no power (ie Council behaves <i>ultra vires</i> )	3	2		Fully trained and experienced TC in post with a good knowledge of the scope of the Council's legal powers. Access to NALC and YLCA resources to provide guidance on legal issues. All trading now ceased. All proposed payments scrutinised to ensure Council has powers to make payment.	Members to attend workshop on power and scope to utilise council's powers.	Ongoing	TC
Insufficient capacity of members and staff to deliver upon Council objectives.	3	2		Work is undertaken by the Budget Working Group, Finance & Audit Committee and Council to ensure that the annual Council work plan is deliverable by having the resources in place or budgeted for. Additional commitments are not accepted without clear identification of legal power, resources required and funding allocated. Additional risk assessments undertaken for undeliverable projects due to insufficient staffing capacity.	Monitor achievement of Council work plan regularly and recommend change as required.	Ongoing	TC
Members fail to behave in accordance with the member code of conduct	3	3		Standing Orders contain procedure for dealing with poor behaviour. Members have received training in this area. Complaints procedure available. Monitoring Officer role in place (via CBMDC) New members attended workshop regarding member code of conduct and Nolan principles of public office Mayor to be separately briefed on process for dealing with behavioural issues.	Mayor and Clerk to continue reminding members about poor behaviour and code of conduct.  More training to be delivered on member behaviour, roles and responsibilities and code of conduct	Ongoing  May-18	TC  TC

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Conflict of interest not declared or dealt with appropriately	3	2		Standing Orders contain procedure for recording and dealing with member and officer conflicts of interest. Monitoring Officer (CBMDC) maintains register of interests which is published on the internet. Members have received training in this area. Staff conflicts of interest referred to TC and staffing Committee. All staff are required to disclose financial interests under the LGA 1972, section 117 – this item is added to each council meeting agenda. All officers are also required to complete an Officers Declaration of Interests form.	Mayor and Clerk to continue reminding members about poor behaviour and code of conduct.	Ongoing	TC
Loss of 'General Power of Competence'	3	2		TC person specification requires the relevant qualification. Fully qualified TC in post. Requisite number of members are elected (either by ballot or unopposed).	To renew the general power of competence to ensure the powers is declared on replacement of a qualified clerk	Ongoing	TC
Failure to identify opportunities presented by 'General Power of Competence' and Localism Act	2	3		Fully trained and experienced TC in post with a good knowledge of the scope of the Council's legal powers. Advice available from SLCC / NALC / YLCA.	Horizon scanning for opportunities to take place in conjunction with community consultation.	Ongoing	TC
Referendum or by-election required	2	2		Provision maintained for the cost of a by-election or referendum (council budgets the costs of two by-elections in each financial year).			

Libel or slander claims received	3	1		Insurance in place. Insurance requirements are discussed with insurers prior to renewal.		Ongoing	TC
Poor relationship with partners (including CBMDC)	2	3		Officers to build on relationships with peers at CBMDC.  TC continues to enhance relationships with CBMDC councillors and MP. New members are trained in different roles and responsibilities of a local council and a principal authority.		Ongoing	TC
Council meetings not quorate or not minuted correctly.	3	2		Procedure in place to record apologies in advance of meetings.  Attendance recorded as part of minute taking to evidence a quorum. Minutes and agenda published as per legal requirements.  Minutes and agenda produced in prescribed method, minutes approved and signed.			

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>STAFFING</b>							
Inadequate capacity to fulfil the Council's objectives leading to low staff morale	3	2		<p>Organisational chart in place and subject to annual review by TC. Staff meetings take place on a weekly basis to plan the week ahead and share workload as required.</p> <p>Officer appraisal to take place on regular basis to include setting and monitoring objectives.</p>	<p>Ensure capacity exists to deal with workload.</p> <p>Secure additional capacity or release current capacity prior to accepting new work.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>TC</p> <p>TC</p> <p>TC</p>
Staff absence (sickness, resignation)	3	2		<p>TC, DTC able to cover for each other if required.</p> <p>All work documents available on shared drive.</p> <p>Procedure is place for dealing with leavers, this is to ensure that assets are recovered and knowledge is harnessed.</p> <p>Admin Support casual officer given basic training on accounts and office procedures</p> <p>Existing members provided knowledge and training of other areas of work within the Council.</p>	<p>Consider locum staff and review Council priorities in the absence of two senior officers to ensure that work carried out within current staffing capacity meets the Council requirements.</p> <p>Consider further opportunities for succession planning and business continuity in event of staff absence.</p>	<p>Ongoing</p> <p>April-17</p>	<p>TC</p> <p>TC</p>

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Inadequate training	3	2		All officers have received sufficient professional and on-the-job training to ensure they can fulfil their roles.	Officer appraisal to take place on regular basis to include identifying development needs (e.g. coping with change).  New member of staff to undertake the ILCA training (if the role is held in an administrative capacity)	Ongoing	TC
Employment Tribunal claim	3	1		Employment contracts based on SLCC/NALC guidance issued to all officers. Professional HR consultancy service available. All staff aware how to access.			
Payroll inaccurate	3	1		Payroll outsourced to CBMDC.  Town Clerk responsible for signing time sheets for casual staff.  Payroll reports including salaries and members allowances are reconciled by the RFO prior to issuing the cheque to Bradford Council.  Payroll audited by the internal auditor as part of their programme of audit.  Bradford payroll department may be subject to their own internal audit.			

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>HEALTH &amp; SAFETY</b>							
Legionella, asbestosis or other similar condition	4	1		Contractors with expertise in assessing legionella and asbestosis risks have attended the Civic Centre and made recommendations to minimise risk exposure.	Ensure that the legionella is monitored as required by health and safety standards		DTC
Member of public, staff or councillor injured at KTC premises, at KTC event or by KTC asset	4	1		All members and staff aware of their H&S responsibilities. For each event, insurers consulted on an appropriate level of cover which is procured with the insurer's stipulations fulfilled. H&S checklist also completed and retained. Public & employers liability insurance in place. Contractors required to state liability insurance status prior to securing work with KTC. First Aiders list regularly reviewed.	Fire drill to take place  Consideration to be given to utilising CBMDC approved lists for contractors.  'Community assets' to be checked at least annually to ensure they are in good state of repair and repaired or removed if not.	Ongoing  Ongoing  Ongoing	TC  TC  TC
Attacks on staff	3	1		CCTV covers many parts of Civic Centre. Allotments Officer has mobile phone. Security intercom feature installed and activated when the building is in use.  Panic/lone working alarm given to lone workers Security & lone working policy in place	Staff trained in how to avoid or diffuse confrontational situations.  Panic lone working alarm to be activated in an emergency	Ongoing	TC  TC
Fire, flood or other peril affects KTC premises or equipment	4	1		Insurance in place. Flooding risk small other than from water tanks. Fire risk assessments regularly undertaken and acted on.	Undertake regular fire alarm testing	Ongoing	TC + DTC

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>INFORMATION ASSETS</b>							
Excessive FoI requests	2	2		<p>Minutes and spend over £500 published on the KTC website. Public and press welcome to attend KTC meetings. FoI Working Group/DTC deals with requests.</p> <p>Local Government Transparency Code 2014 reviewed and any further information is published on the KTC website.</p>		Ongoing	TC
Loss of data	4	1		<p>CBMDC systems backed up daily with backup stored off-site. Accounts system also backed up with CBMDC. The accounts are backed up with the external accountancy software providers that assist with the year-end close down. Edit controls on KTC website used by officers only Council documentation on file to assist with data.</p>	Move paper archive (once purged) to a location that is more appropriate.	Ongoing	TC
Corporate memory loss arising from staff or member loss of office / resignation	3	2		<p>Documents recorded on the shared network. Existing members provided knowledge and training of other areas of work within the Council.</p>	<p>Ensure officer support is available for all committees. Develop and apply procedure for dealing with staff leavers (to include documenting knowledge).</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>TC</p> <p>TC</p>



	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Breach of data protection / information security	2	3		<p>Advise CBMDC promptly of leavers.  Relevant officers aware of principles of data protection.  Contractual clause for officers and consultants to maintain confidentiality.  CBMDC network password protected.  Allotments software password protected.  Officer personal records stored securely.  Breaches required to be reported to TC.</p> <p>Members do not have access to the Town Council offices.</p>	<p>Adopt clear desk policy.</p> <p>Consider whether specific areas of shared drive require further security.</p> <p>Officers to attend or undertake training in information security and data protection.</p> <p>Code for the Town Council office to be changed.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Feb'18</p> <p>Dec'17</p>	<p>TC</p> <p>TC</p> <p>TC</p> <p>TC</p>

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>VEHICLE</b>							
Accident	3	1		Insurance in place. Regular checks take place of the nominated driver's driving licence with evidence thereof retained. Vehicle maintained.			
Theft	2	1		Insurance in place. Vehicle very obviously marked as belonging to KTC. Vehicle stored off road in secure location when not in use.			

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
<b>REPUTATION</b>							
Adverse press coverage	3	2		Public and press welcome to attend/film Council meetings. Only the TC and Mayor may respond to media enquiries on behalf of the Council. Members may speak to the press in accordance with the Press Policy.	Proactively use the press to promote the work of KTC  The Mayor and Committee Chairs to be media trained	Ongoing  May'18	TC  TC
The people of Keighley do not value the work of KTC	3	2		All KTC activity is for the benefit of the people of Keighley. Evidence of media coverage of KTC success stories. The press policy is proactively used to promote the work of KTC KTC Connect newsletters issued twice a year and delivered to every household in Keighley  Grant condition of joint project funding that 'with the support of KTC' is referred to on asset, if possible, and included in promotional materials and press coverage.	Continue to promote and apply community engagement strategy	Ongoing  Ongoing  Ongoing	TC  TC  TC
Government no longer values the work of parish councils.	4	1		NALC/YLCA promote the work of local councils with government. NALC/YLCA advise on how to promote success stories and how to engage with communities	Act on NALC/YLCA advice in this area in developing community engagement strategy. Act on information available from the CBMDC regarding community needs and aspirations.	Ongoing  Ongoing	TC  TC

	Impact	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Allotments managed inappropriately	2	1		Dedicated allotments officer in post. Tenancies enforced and governed by tenancy agreement. Tenancies allocated in the order of those who have been on the waiting list the longest.	Additional administrative officer to be trained in the allotments work area.	May'18	TC + AO
Breach of Equality Act	2	1		Civic Centre DDA compliant. Keighley Town Hall (CBMDC owned) believed to be DDA compliant. Consideration given by TC for requests for reasonable adjustments.			