



Keighley Town Council

Risk Assessment Policy

APPENDICES

- Appendix A Corporate Risk Assessment
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KEIGHLEY TOWN COUNCIL RISK MANAGEMENT AND RISK ASSESSMENT POLICY 2019-2020

Keighley Town Council is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are maintained at an acceptable level. Any action that is felt necessary will be taken by Keighley Town Council.

The Clerk and Finance & Audit and Policy & Governance Committee's will review risks on a regular basis, including any newly identified risks, and will report back to the full town council. The review will include identification of any unacceptable levels of risk.

The Local Council's Government and Accountability Guidance highlight the following observations regarding risk management.

- Risk management is not just about financial management; it is about setting objectives and achieving them in order to deliver high quality public services.
- The new approach places emphasis on local councils strengthening their own corporate governance arrangements, improving their stewardship of public funds and providing assurance to taxpayers. It makes the point that Members are ultimately responsible for risk management because risk threatens the achievement of policy objectives. Members should, therefore
- Take steps to identify key risks facing the Council
- Evaluate the potential consequences to the Council if an event identified as a risk takes place
- Decide upon appropriate measures to avoid, reduce or control the risk or its consequences
- To identify the risks facing a Council, the Guidance recommends beginning by grouping the three main types of decisions that have to be taken
- Areas where there may be scope to use insurance to help manage risk (Section A)
- Areas where there may be scope to work with others to help manage risk (Section B)
- Areas where there may be need for self-managed risk (Section C)

APPENDIX A

Keighley Town Council Risk assessment rating criteria

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

Keighley Town Council
Risk appetite and approaches to managing risk

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

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, January 2020

SECTION A Areas where there may be scope to use insurance to manage risk

	Severity	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Protection of physical assets, e.g. Buildings, furniture and equipment	1	2		All physical assets are insured with Zurich Municipal Policy Number: YLL-122026-3293 Council Vehicle has comprehensive insurance policy with Came & Company Policy Number: AGRI/103849/2020	Insurance policy is reviewed on an annual basis to ensure it reflects the Town Council's needs Insurance policy is reviewed on an annual basis to ensure it reflects the Town Council's needs	Annual Annual	TC/ RFO TC/RFO
Risk of damage to third party property or individuals as the result of the council providing services or amenities to the public	2	2				Annual	TC/DTC
Risk of damage or injury to staff	3	1		Keighley Town Council has Employers Liability insurance of £10,000,000 Policy Number: YLL-122026-3293	Staff Handbooks are being updated to include all relevant policies. Staff training budget of £4,000 available to address any identified needs.	Sep – 20	TC
Business Interruption	3	1		New I.T system in place which includes a secure independent cloud-based server.	At next Insurance Policy renewal investigate the benefit of Business Interruption insurance	Apr-20	RFO
Loss of cash through dishonesty or theft	3	2		The Council has a Fidelity Guarantee of up to £500,000 for any one person and £2,000,000 any one incident Annually reviewed Financial Regulations are in place and cover the payment of invoices. Multiple signatures are required on all cheques paid out by the Town Council.	Review internal process of paying invoices to ensure its robustness	Mar – 20	TC/RFO
Key Member of staff being unavailable	3	2		Annual budget includes £14,000 for the provision of temporary staff to cover absences if required.	Investigate Insurance options		

					Internal review of procedures underway to strength business continuity within the Staff team	Mar-20	TC
Requirements met under employment law and HMRC regulations	1	2		The Council contracts its payroll Bradford MBDC. Bradford MBDC makes Inland Revenues calculations and deals with the Yorkshire Pension Scheme.			
Risk Assessments – fire, legionella etc in the Civic Centre Risk of fire, injury to staff, residents, councillors and visitors.	4	1		Health & Safety advisors carry out an annual inspection of the Civic Centre along with reviewing all relevant risk assessments.	Review the annual maintenance contracts for all aspects of the Civic Centre. Such as fire safety equipment, lift equipment etc. A new integrated Access system will be installed once approved by Councillors. This will integrate the fire, intruder and access system into the Civic Centre	Aug-20 Mar-20	CCM CCM
	Severity	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
Damage to or loss or theft of assets	3	2		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 Regalia 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.	Review and update Security Policy	Nov-20	TC

SECTION B areas where there may be scoped to work with others who manage risk

Allotments	1	1		<p>Regular inspections are carried out by the Allotment Officer. A risk assessment is held for the allotments and communicated to allotment holders and is publicly available via the Council's website.</p> <p>The Council also adopts an annual Allotment Policy which is reviewed on a yearly basis.</p>	<p>New Allotment Officer in post from April 2019. Will undertake a review of all risk assessments</p> <p>Review Allotment Policy</p>	<p>May-20</p> <p>May-20</p>	<p>AO</p> <p>AO</p>
Town Centre Square	2	2		<p>Regular inspections are carried out by the Allotment Officer.</p> <p>Annual maintenance regime in place and undertaken by a third-party contractor</p> <p>A risk assessment is held by the council and sight of the contractor's risk assessment, insurance and method statements are to be obtained. Town square railings are listed on the Town Council Asset Register</p>	<p>Contract up for review in September 2021</p>	<p>May-21</p>	<p>AO</p>
Banking Services	3	2		<p>Multiple signatories required to make any payments. These are changed on yearly basis following the election of a new Mayor</p>	<p>Council is overdue a review of its banking arrangements, including increasing its use of online banking services</p>	<p>May-20</p>	<p>TC/RFO</p>
Professional services and contractors	1	3		<p>Requirement for quotations is contained within financial regulations</p>	<p>Internal staff training to ensure all staff who are responsible for ordering works on behalf of the Council are aware of the Financial Regulations</p>	<p>May-20</p>	<p>TC</p>
Salaries paid to Bradford MBDC 6 months in arrears	3	1		<p>Bradford MBDC pays salaries direct to staff members on a monthly basis</p>			

Computer back up. Loss of records	1	3		All council files email systems are protected via an encrypted server. Council has an annual contract with Cosurica for the maintenance of its entire I.T systems	Staff need to attend Disaster Recovery workshop provided by Cosurica as part of their contract 2-year contract signed in 2019, the contract expires in February 2021	Oct-20 Nov-20	TC TC
Events Reputational Damage Lack of Funding Injury to staff, members of public, etc Weather causing cancellation	2	1		Each Event managed by the Town Council has its own Event Plan and Risk Assessment. Any outside suppliers are required to provide copies of Public Liability insurance, Food Hygiene (if applicable), risk assessment and method statements if appropriate. First aid is provided if the event risk assessment deems it appropriate	Annual review of internal procedures and record keeping	DTC	May-20
Grit Bins	2	2		Town Council owns 74 grit bins. Sites are assessed against a set criteria and filled by the Town Council contractor they twice a year.			
	Severity	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
SECTION C Areas where there may be a need to self-manage risk							
Project Delivery	1	1		The Town Council undertakes a number of projects which rely on Councillor Input. Regular reports are made to the Community Development Committee which oversee the work. The committee manages its approved budget within Financial Regulations	Terms of Reference for Community Development Committee being reviewed to ensure it matches the work being undertaken by the Town Council	May-20	CDO
Keeping proper financial records in accordance with statutory regulations	1	3		Financial records are kept in accordance with statutory requirements, which are the responsibility of Keighley Town Council and are reported as part of the audit process.			RFO
Complying with restrictions on borrowing	1	2		The Council has one longstanding loan via the PWLB until 01.09.2060. The annual repayment amount is			

	Severity	Likelihood	Risk rating	Controls in place	Additional controls required	Timeframe	Responsible officer
All requirements met under Employment law	2	3		<p>Salary forecasts are undertaken as part of the budget setting process.</p> <p>The Council receives Employment Advice from a specialist HR firm, Ellis Whittam</p>	<p>A full review of staff contracts and Employee Handbook is currently underway by Ellis Whittam</p> <p>No staff appraisal system in place to review salaries and/or performance. A new policy will be developed and approved by Council</p>	<p>Mar-20</p> <p>May -20</p>	<p>TC</p> <p>TC</p>
Adequacy of precept	1	2		There is a rigorous process for the setting of the budget.	Due to internal staffing issues the prescribed budget process set out in Standing Orders wasn't followed. Ensure for 2020/21 the correct process is followed	Nov -20	TC/R FO
Proper use of funds awarded to community groups	2	2		The Council currently has General Power of Competence and a grant awarding policy. Receipts/invoices are requested as part of the grant completion documentation	<p>The new Clerk is currently undertaking their CiLCA qualification which is needed to retain the General Power of Competence.</p> <p>A review of the grant funding policy is required to ensure Monitoring and Evaluation of projects funded is consistently in place</p>	<p>Dec -20</p> <p>May -20</p>	<p>TC</p> <p>TC/R FO</p>
Minutes numbered	1	2		Minutes are numbered and signed by the relevant Chair at the subsequent meeting and kept in a locked filing cabinet.			

Electors wishing to exercise their rights of inspection	1	3		Right of inspection is adhered to, according to legislation. The council has a model publication scheme.	The model publication scheme needs to be publicly available on the Town Council Website	Feb-20	TC
Register of interests, gifts and hospitality	2	3		The Members interests are held in a locked filing cabinet. A copy is also held by the Monitoring Officer and via the Keighley Town Council website.	No current policy or register for gifts and hospitality. A Policy will be developed	May-20	TC/RFO
Regular scrutiny of financial records	1	3		All payments are approved by full council. Some budgets/expenditure are delegated to committees and the Clerk. Details are contained within the Scheme of Delegation and minutes.			
Regular returns of VAT	1	2		The RFO is responsible for the completion and submission of quarterly VAT returns. This process is checked by the Internal Auditor			
System of performance management	2	3		No current staff appraisal system in place.	A new system needs developing and introducing for all staff, following approval by Full Council	May-20	TC
Adoption of Code of Conduct for Councillors and Employees	2	2		Keighley Town Council has a code of conduct for all members which are signed by members at the commencement of their term in office. Staff are governed by their contracts	Staff contracts currently being updated	Mar-20	TC
Review of internal controls and their documentation	1	2		Internal controls are in place and reviewed by the Town Clerk, RFO, Policy & Governance committee	A review of internal processes is overdue and will be undertaken	Apr-20	TC/RFO
Transaction testing of income and expenditure	1	2		Covered during internal audit process and as part of internal control.	Need to ensure the relevant standing orders are complied with re, Councillor spot checks	Dec-20	RFO
Council acting with legal powers and according to proper practices	1	1		Staff are currently undertaking CiLCA as well as undertaking additional training to ensure staff are up to date with latest policy. The Council is a member of YLCA and the Clerk a member of SLC			
Up to date register of assets	1	2		Reviewed annually. Additional items added to register at time of purchase	Asset Register needs updating, work currently underway	Mar-20	TC

Annual review of risks and adequacy of the insurance cover	1	2		The Clerk adds items to the insurance as they are purchased. The Policy & Governance committee reviews the insurance and makes recommendations to the full council			
Ensuring robustness of insurance providers	1	2		The insurer for the Council is Zurich Municipal who have experience of local council insurance			
Internal Audit Assurances	1	2		Internal Controls are reviewed as necessary by the RFO and councillors who have responsibility for checking internal controls and internal auditor. Any issues identified are reported to the Finance & Audit committee			
Internal audit documentation	1	2		Reported directly to full council			
Internal control testing	1	2		Testing of specific internal controls by councillors with responsibility for financial controls and reporting findings to Finance & Audit committee.	Need to ensure the appropriate standing order is adhered to relating to councillor checks	Apr-20	RFO
Annual budget	1	1		There are transparent processes to ensure that the budget is effectively drawn up. The draft budget is considered at the November Finance & Audit committee before being approved by Full Council before the end of January	Need to ensure the current procedure is adhered to in year 2020/21	Nov-20	TC/RFO
Arrangements to detect fraud and corruption	1	2		Invoices are subject to scrutiny by the RFO, two councillors check against invoices and sign the schedule of payments at the Finance and Audit Committee meeting, then cheques and cheque stubs are signed by two separate councillors, this information along with the cashbook forms part of the twice yearly internal audit.			
Monthly bank reconciliations	1	2		Presented to and checked monthly at the monthly Finance and Audit Committee.			

NOTES

SEVERITY refers to the urgency and importance of the activity
 LIKELIHOOD How likely something is to happen / or not happen

1 is low and 3 is high

Adopted: 19th March 2020

Review: April 2021