

CONGLETON TOWN COUNCIL

COMMITTEE REPORTS AND UPDATES

COMMITTEE:	Finance and Policy Committee		
MEETING DATE AND TIME	23 rd March 2023 7.00pm	LOCATION	Congleton Town Hall
REPORT FROM	David McGifford (Chief Officer) and Serena Van Schepdael (Responsible Financial Officer)		
AGENDA ITEM REPORT TITLE	14 Annual Review of the Business Risk Assessment		
Background	<p>Risk Management is an essential part of effective corporate governance. The Council has a statutory duty to have in place arrangements for managing risk as stated in the Accounts and Audit regulations 2015:</p> <p><i>“A relevant authority must ensure that it has a sound system of internal control which ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk”</i></p> <p>Congleton Town Council acknowledges that it has a responsibility to manage its risks effectively in order to protect its employees, assets, liabilities and community against potential losses. The Council is aware that not all risks can be eliminated fully, however through correct and careful procedures there will be a focused approach to managing any risks.</p> <p>Congleton Town Council currently adheres to the guidance given by JPAG (Joint panel on Accountability and Governance) in their publication “Governance and Accountability for Smaller Authorities in England” Section 5 for the layout of the Business Risk Assessment. Behind this sits detailed risk assessments for all Streetscape activities, Town Hall activities, Information Centre, Paddling Pool, and events in the town centre.</p>		
Updates	The management team has updated the Business Risk Assessment in its current form for 2023-24. All updates are tracked in Appendix 14.1.		
Decision Requested	To approve the Business Risk Assessment 2023-2024 and to recommend to Council for Approval.		

Business Risk Assessment 2023/24 DRAFT

Area	Risks Identified	Likelihood of risk (Score 1 – 3)	Potential Impact (Score 1 – 3)	Risk Rating (Low, Medium, High)	Management/Control of Risk	Review/Action required
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	ASSETS and SERVICES						
1a	Security of Town Hall Building	Theft Maintenance Staff Safety Third person use	1	2	Low	Building property insured and reviewed annually. Alarm systems with automatic response for Town Hall. Low crime rate in Congleton. Weekly fire alarm checks and annual servicing. Record all incident Third parties sign a contract re liabilities. CCTV installed throughout the building	Weekly checks of property and actions taken to correct maintenance. CCTV Policy checked annually
1b	Security of Town Treasures	Theft, damage	1	3	Med	Treasures locked in the safe. Keys held by CO and current Mayor. CCTV installed to view door of safe. Responsible person with treasures at all times if used for ceremonial or public viewing. Town Treasures signed in and out if taken out of the building (date and name of person taking)	Regular checks need by Town Hall Manager /CO
1c	Maintenance of Town Hall, Museum	Not adequate budget for grade 2 building H&S – antisocial behaviour	1	3	Med	Ensure budget set for maintenance through Town Hall and Asset Committee and Council. Town Hall Manager to inspect property on regular basis for maintenance issues	Monitor budgets
1d	Town Hall Car parking area	H&S – vehicles and people	1	3	Med	Lighting, CCTV and appropriate signage sign added and general maintenance	Regular checks by Town Hall Manager.

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1e	Paddling Pool	Health and Safety Risk to workers, public and users Theft and damage to pump room and area. Storage of Chemicals	1	2 3	Med	Staff trained and Paddling Pool supervised when open. Detailed Method of Operating Procedures used by staff. COSH Sheets and written procedures in place Detailed lock up procedures. Secure and Improved storage and knowledge of chemicals in place. Insurance and Public Liability in place. Maximum number policy added for busy periods which has been implemented during hot weather since summer 2018. A new booking system in place to ensure attendees do not go over maximum capacity.	Check procedures annually, make sure staff training is up to date.
1f	Paddling Pool	Finance: Increase in costs will have an impact in Precept or other areas of the Council	2	2	Med	Reviewing operating hours and ability to charge for entry.	
1g	Hillary Avenue Allotments –CTC owns the land	H&S of users Safety of site	1	2	Low	Work closely with the Allotment Association who manage the allotments on a day-to-day basis. Regular Site inspection. CTC public liability insurance	Review contract and working arrangement
1h	Cenotaph Memorial Sgt Eardley statue Treo memorial and Our Elizabeth statue	Vandalism, damage, deterioration	1	3 2	Med	Regular checks of site for vandalism and damage included on our asset register for insurance. Within range of Town CCTV. Annual waxing of statues and a maintenance plan in existence for stone.	Part of Streetscape checks

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1i	Community Garden	H&S of users	1	2	Low	Responsible for the site. Regular checks and any hazards made good. On Town Council insurance. Regular volunteers working on site have signed the volunteer register. Volunteer policy updated 2019.	Part of Streetscape checks
1j	Community Polytunnel	H&S of users Theft/vandal	1	1	Low	Regular of inspection of site. Extra checks when used. Nothing of value kept here. CTC insurance	Part of Streetscape checks
1k	Christmas Lights	Theft. Safety of use	1	1	Low	Insured through Town Council and stored securely. Use of professional operator to check, service, install and remove lights. Anchor points checked, tested and certified on rotation as best practice	Three-year contract with trained equipped and licenced contractor in place for installation, maintenance and storage. Currently in year threetwo
1l	Streetscape Services - Operations	Health and Safety risk to workers, public and contractors Contract changes	1	3	Med	Risk Assessments carried out for all procedures and new pieces of work. Staff trained Consideration over implications of contracts e.g. vehicles with potential contract changes	Streetscape Manager to check risk assessments and training annually.
1m	Events in the Town Hall	Health and Safety risks to workers, volunteers, contractors and public. Risk to Town Council and Town Hall reputation	1	3	Med	Often organised by third parties. Commercial partner assumes responsibility for event. Organisers asked for Risk Assessment and Public Liability. Only approved caterers used. <u>Catering through Commercial Partner.</u> Bar services must be through Town Hall DPS SIA door staff used when evening party event involving alcohol.	Maintain existing procedures, and to be reviewed during 2022-23 once future arrangements decided.

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						Bookings are not accepted for 18 th birthday parties.	
1n	Town Council led events.	Health and Safety risks to workers, volunteers, contractors and public . Risk to Town Council reputation	1	3	<u>Med</u>	Public liability put in place for events All documentation from third parties checked. Volunteer policy updated All major events are sent to CEC Event Safety Advisory Group for clearance. All contractors RAMS checked.	Maintain existing procedures and ensure new staff are trained.
1o	Licences	Financial penalty/liabilities for not having correct licences	1	2	Low	All licences stored on H Drive and in filing cabinets PPL and PRS reviewed annually Premises Licence held for Town Hall and Town Centre <u>Small Lotteries Licence renewed annually</u> <u>Marriage/Wedding Licence renewal every three years</u>	Maintain existing procedures
2	Finance and Contracts						
2a	Banking	Failure of Bank	1	3	Med	Funds located in 3 separate banks Policies in place in Financial regulations	RFO continual monitoring
2b	Investments	Level of investment	1	1	Low	Investment policy in place <u>Investment Policy updated annually</u>	RFO and Council to review annually or potentially sooner if negative interest rates.

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2c	Precept	Precept sum inadequate Late Payment from local authority	1	2	<u>Low</u>	Budget and Precept considered by Finance and Policy Committee & Full Council each year. Contingencies in place through reserves.	RFO and Council to review annually
2d	Financial controls and records		2	2	Med	RFO to undergo CPD training when available. Financial Regulations reviewed annually. Internal and External audits and regular Finance and Policy Committee Meetings	Maintain existing procedures and provide training to new RFO
2e	Petty Cash	Payments not accounted for	1	1	Low	All petty cash payments supported by relevant paperwork. Checked by Internal Audit. Processes in Financial Regulations. Petty cash is to be verified twice yearly.	Maintain existing procedures
2f	Cash	Loss through theft or dishonesty	1	1	Low	Cash reconciled and banked regularly. Unbanked cash locked in office. Fidelity Guarantee Insurance in place via Zurich. <u>Cash handling policy in place.</u>	Maintain existing procedures
2g	Bank Reconciliations	Inadequate Checks Bank Errors	1	1	Low	Bank reconciliations completed monthly and verified by a member of Finance and Policy committee. Checked via Internal Audits and reported to every Finance and Policy Committee	Maintain existing procedures
2h	Budgetary Process	Inadequate budget preparation leading to inability to fulfil obligations	1	1 2	Low Med	Budget considered by Finance and Policy Committee and Full Council. Income and expenditure considered at every Finance and Policy Committee. Internal and External audits in place and follow financial regulations.	Maintain existing procedures

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2i	Payments	Goods not supplied but invoiced. Invoices incorrect. Invoices unpaid.	1	3 2	Med	All invoices checked and initialled for accuracy and receipt of goods/services in line with comprehensive financial regulations. List of payments presented to Finance. Committee. Clear audit trail of all expenditure and checked via Internal Audit.	Maintain existing procedures
2j	Approval of Expenditure	Unauthorised purchase Fraud	1	3 2	Med	All payment orders authorised by Council as per Financial Regulations. <u>Financial Regulations in place for procedures of purchasing.</u>	Maintaining existing procedures
2k	Cheque Books	Loss of Cheques Fraudulent use	1	3	Med	All cheque books are kept locked in the office. <u>Summary list of books are kept and signed when one book finished and new one issued.</u> All cheques double signed by 2/6 of the Council signatories and only when matched to a purchase order No blank cheques signed. To be used in line with Financial Regulations and checked by Internal Audit	Maintaining existing procedures but currently due to Covid all payment made by BACS – worth continuing post Covid. <u>payments are made by BACS where possible</u>
2K(i)	BACs payments	Payment to wrong supplier	1	1	Low	Finance Officer produces bank schedule and emails to 2 signatories and inputs to bank. RFO authorises bank payment whilst also double checking bank details and amounts.	Maintain existing procedures
2l	Credit Card	Loss of Card Fraudulent use	1	1	Low	Credit card kept double locked in Council office. Usage set out in the financial regulations. Current credit limit £3000. <u>Financial Regulations followed for all purchases.</u>	Maintaining existing procedures

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2m	Salaries	Incorrect payments to staff	1	2	Low	Use external professional team Mitten Clarke to calculate wages monthly. BACs payments checked and signed by 2/6 signatories. Subject to internal audit. Ensuring sufficient trained staff in place to undertake the task. RFO double checks sheet prior to processing.	Maintaining existing procedures
2n	Annual Return	Not submitted on time Incorrectly completed	1	3	Med	RFO aware of date and ensures requirements met. Outside external company identified that could perform task if required. RFO to produce an annual timetable to highlight deadline dates.	Maintaining existing procedures
2o	Streetscape Contract	Reduction of revenue through Service Level Agreement. CEBC or third-party take-over	2	2	Med	Keeping standards high. Examination and review of agreed contract 2021. Exploring additional external contracts. Look to align any third-party hire contracts with Service Level Agreement. Review of operating procedures	Review by Chief Officer and Streetscape Manager Record Risk of longer-term contract
2p	Catering / events support for Town Hall	Previous contract expired March 1st 2021 – Delay in appointing new provider (s) impacting on ability	2	2	Med	Following the end of the previous contract Town Council to review the future of events and catering needs in the Town Hall to provide a service that is good for customers, the Town Council and future partner(s).	Develop a new framework for a contract based on future needs of the Town Hall post COVID-19 Review after initial 12 months Reports back into THAS

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		hold and service events <u>New Commercial Partner appointment April 2022</u>				<u>Weekly operational meeting take place for booking requirements.</u> <u>Monthly Management meetings take place for Financial, Marketing and any issues</u>	
2q	Town Hall Room Bookings	Linked to 2p – future use of the Town Hall					To be reviewed in line with outcome 2p.
2r	Congleton Information Centre	Staff, customers, financial risk.	1	3 2	Med	Front line staff who take cash – banking procedures in place and safe on site. Doors locked before cashing up takes place. Weekend workers never in the building alone. <u>Cash handling policy in place.</u> Third party ticket sales – contracts in place making clear no liabilities to CTC Financial regs for purchasing goods in advance of sales	Ensure all policies in place and understood by all staff in the CIC Ensure contracts are in place for new ticket suppliers.
2s	New Suppliers	VAT & Bank accounts/Payments fraud	2	2	Med	Full checks on all new suppliers take s on <u>place</u> including VAT number check, Companies House check, and bank account check. All confirmation required on letterhead paper separate to invoice received.	New supplier form has been introduced which included checklist of online checks required.
3	Legal Liabilities						
3a	Ensuring the Council Acts	Ultra Vires Acts incurring financial liability	1	2	Low	Chief Officer and one two members of staff CiLCA qualified. Use of manuals, advice from NALC and SLCC.	Maintaining existing procedures <u>At least one other member of staff to take CiLCA qualification</u>

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	within its legal powers							
3b	Insurance	Inadequate cover or over insurance increasing costs unnecessarily. Areas not covered. Policy lapsed.	1	3	Med	Council covered by Zurich. Review of Policy with company checked annually for relevance and every three years competitively. Insurance approved by Council. Annual update of asset values and checks of contracts and policies.	Maintaining existing procedures Update Asset Register annually Review overall valuation of the Town Hall being the Town Council's key Asset	
3c	Compliance with Inland Revenue Requirements	Payments missed. Year-end returns inaccurate or submitted late.	1	3	Med	Sage Payroll system calculates wages, pension and NI. Liaison with Cheshire Pension Services. Subject to Internal Audit.	Maintaining existing procedures	
3d	Health and Safety of Staff, Visitors and Contractors	Liability incurred if Council found to be at fault	1	3	Med	Council has Health and Safety Policy for employees and protect of the public. Separate Risk Assessments in place for all property and activities carried out. £10million Public Liability Insurance. Regular contact with streetscape staff and Lone Workers.	Risk Assessments reviewed by managers at least annually.	
3e	Legal Liability as a consequence of Asset ownership	Injury caused through fault with asset or incorrect training in operation.	1	3	Med	Buildings and other assets inspected regularly by staff for faults. PAT checks carried out annually or as needed. Appropriate training given.	Under constant review	
3f	Computer Records	Reliability of system. Loss of data through system error or theft.	1	3	Med	Office 365 now used with replacement server within the Cloud. Contract with Prism to provide IT services within an hour (office hours) Professional anti-virus software and	Maintaining existing procedures	

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						Firewall. Confidential files password protected	
3g	Paper records	Storage of ancient documents Retaining documents appropriately	1	1	Low	Where appropriate stored in museum or safe. Reviewing off site storage for documents that need to be kept under document retention policy but not used.	
3h	Tendering Process	Procedures not followed for significant contracts. Best value not achieved. Fraud.	1	3	Med	Outlined in the Financial Regulations. Tender documents opened in the presence of at least two councillors and Chief Officer.	Maintaining existing procedures
3i	Register of Members Interests	Not maintained in accordance with Code of Practice	1	2	Low	Up to date Code of Conduct adopted by Council. Register of Interests filed with CEBC and on CTC web site. Written declarations of interests submitted to the office by councillors.	Maintaining existing procedures
3j	Proper Document Control	Documents unaccounted for. No proof of documents received.	1	1	Low	Filing system established and updated. Data Protection Act and GDPR requirements in place. Document retention policy in place. Councillors' mail available for collection – currently scanned and emailed.	Maintaining existing procedures
3k	GDPR	Failure to safeguard personal information.	1	3	Med	Firewall and IT security regularly updated. Database audit checked annually. Data protection and privacy policy published. ICO	Maintain existing procedures

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		Misuse of information lead to break of regulations				registration checked and paid annually. All data collection sheets state purpose and how stored and used.	
31	Climate Change Emergency	Failure to reduce carbon impact from services and activities and to meet mitigation measures to meet Climate Change Emergency	2	2	Med	Establishment of a Green Working Group for the town council which monitors carbon footprint, <u>and plans to reduce the Carbon Footprint.-</u>	Consider Environmental impact on all services and activities.