



WEST MERSEA TOWN COUNCIL RISK MANAGEMENT SCHEME 2019/20

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Town Council to identify any and all potential risks inherent in the place or practices. Based on a recorded assessment the Town Council should then take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible.

This document has been produced to enable West Mersea Town Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimize them. The list is not exhaustive and the Town Council may wish to consider other risks not identified. In conducting this exercise, the following plan was devised:

- Identify the areas to be reviewed.
- Identify what the risk may be.
- Evaluate the management and control of the risk and record all findings.
- Review, assess and revise if required.

FINANCIAL AND MANAGEMENT				
Subject	Risk(s) Identified	H/M/L	Management/Control of Risk	Review/Assess/Revise
Precept	Adequacy of precept Requirements not submitted to CBC Payment not received by CBC	L L L	To determine the precept amount required, the WMTC regularly receives budget update information and the precept is an agenda item at full Council. At the Precept meeting WMTC receives a budget update report, including actual position and projected position to end the year and indicative figures or costings obtained by the RFO. With this information the WMTC maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from Colchester Borough Council. This figure is submitted by the Clerk in writing to CBC. The RFO informs Council when the monies are received (approximately May and September).	Existing procedure adequate.

Financial records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which set out the requirements.	Existing procedure adequate. Review the Financial Regulations annually for adequacy, improvement and relevance.
Bank and banking	Inadequate checks Bank mistakes Loss Charges	L L L L	The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. WMTC has 4 bank accounts (current, 2 reserve accounts and an NS & I account). Cheques and on line banking require two signatures, there are 9 nominated Councillors and the Clerk and RFO are not a signatory. The RFO reconciles the bank accounts once a month with QuickBooks, the accounting package.	Existing procedure adequate. Review the Financial Regulations and bank signatory list, especially after an AGM and an election. Monitor the bank statements monthly.
Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations which set out the requirements. Cash received is banked weekly in full and petty cash is withdrawn as required.	Existing procedure adequate. Review the Financial Regulations annually.
Reporting and auditing	Information communication	L	A monitoring statement is produced regularly before each Council meeting including Finance, with the agenda, discussed and approved at the meeting. This statement includes, bank reconciliation, budget update, and a breakdown of receipts and payments balanced against the bank balance.	Existing communication procedures adequate.
Direct costs Overhead expenses Debts	Goods not supplied but billed Incorrect invoicing Cheque payable incorrect Loss of stock Unpaid invoices	L L L L L	The Council has Financial Regulations which set out the requirements. No payments are made without an invoice. At each Council meeting the list of invoices awaiting approval is distributed to Councillors, and considered. One Councillor is nominated to check each invoice against the associated paperwork and signs the blue payment authority. Council approves the list of requests for payment. The Council has minimal stocks, these are checked and monitored by the Clerk and other staff. Unpaid invoices to the Council for services are pursued and where possible, payment is obtained in advance.	Existing procedure adequate. Review the Financial Regulations annually.

Grants and support – payable	Power to pay Authorisation of Council to pay	L	All such expenditure to go through the required Council process of approval, minuted and listed accordingly if a payment is made using the S137 power of expenditure. The Clerk has passed her CILCA and WMTC adopted the General Power of Competence in November 2018.	Existing procedure adequate. Parish Councillors request a S137 rules if required.
Grants - receivable	Receipts of Grant	L	The Town Council receives a grant for the public toilets each year which is requested by the RFO.	Procedure would need to be formed, if required.
Charges – rentals payable	Payments of charges, leases, rentals	L	The Town Council owns land which it leases – invoices payable for the rental amounts are entered into the normal payment system for authorisation.	Existing procedure adequate.
Charges – rentals receivable	Receipt of rental Insurance implication	L M	Sports Pavilion, Rugby Changing Rooms and Tennis Pavilion - The Town Council agrees in advance each year the fee for the rental of the buildings and pitches. The Clerk issues an agreement (lease) for usage with terms and conditions and issues and invoice. Both parties sign the agreement and the Town Council copy is held in Town Council records. Payment to the Council is made by BACs transfer. The Town Council is notified accordingly. Mersea Island Sports Association and the Rugby Club arranges its own contents insurance and The Tennis Club arranges buildings and contents insurance and all provide a copy to the Town Council each year.	Existing procedure adequate. Review agreement and fees annually. Ensure payment and copy of insurance document received.
Best value Accountability	Work awarded incorrectly Overspend on services	L M	Normal Town Council practice is to seek 3 quotes for any substantial work required to be undertaken or goods, as per the Financial Regulations. For major contact services, formal competitive tenders would be sought. If a problem is encountered with a contract the Clerk/RFO would investigate the situation, check the quotation/tender, research the problem and report to Council.	Existing procedure adequate as per Financial regulations.

Salaries and associated costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax or NI contributions to the Inland Revenue	L L L L L L	<p>The Town Council authorises the appointment of all employees through a Personnel Committee. Salary rates are assessed annually by the same Committee and applied on 1 April each year. Salary analysis and slips are produced by the accountant monthly together with a schedule of payments to HMRC (for Tax and NI). These are inspected at the Finance Committee meetings and signed off. The Tax and NI is worked out by the accountant monthly. All Tax and NI payments are submitted monthly.</p> <p>The grounds men and admin assistant each submit a weekly timesheet containing hours and tasks. These are checked and initialed by the RFO and submitted into the records. Each has a contract of employment and job description.</p> <p>The Clerk, RFO and Assistant to the Clerk does not keep a timesheet and have a contract of employment and job description.</p> <p>All contracts of employment contain a section on overpayment and recoup.</p>	<p>Existing appointment and payment system is adequate.</p> <p>Require an Employee Policy & Procedures document; to set out specifics for reviews, salary, paperwork, papers, complaints procedures, audit process etc.</p>
Employees	Loss of key personnel staff Fraud	M	Measures have been implemented so all records are held in a central office, attended by the Clerk. The Council has access to the office at all times. The requirements of the Insurance to be adhered to with regards to fraud. All employees to be provided with adequate direction and safety equipment, where appropriate, needed to undertake their roles.	Existing procedures adequate. Monitor H & S policy. Review Insurance policy annually, including fidelity guarantee.
Councillor allowances	Councillors overpaid. Accounting for tax/nic	L	No Councillor allowances are paid.	No procedure required.
Election costs	Risk of an election cost.	M	Election costs will be budgeted for in the 2019/20 budget. Risk is higher in an election year. When a scheduled election is due, the Clerk will obtain an estimate of costs from the Borough Council. There are no measures which can be adopted to minimise the risk of having elections, as this is a democratic process.	Existing measures adequate.

VAT	Reclaiming/charging	L	VAT is reclaimed quarterly. The accountant/RFO analyses any VAT charged on purchases within the expenditure of the Town Council and maintains all VAT receipts within the Town Council's records. The accountant produces a VAT refund analysis and the RFO makes a claim to HM Revenue & Customs for recovery of the amounts. The refund is received via BACS transfer and the RFO notifies the Town Council at the next meeting. All documentation in relation to the process is maintained in the Town Council's records. VAT is charged on the sales of dog bags and food bags.	Existing procedures adequate.
Annual return	Submit within time limits to avoid charges	L	The Annual Return is submitted annually. After the internal audit the Annual Return is signed by the auditor, referred to the Council for approval and sent to the External Auditor within the time limit.	Existing procedures adequate.
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Town Council to be resolved and minuted at a full Parish Council meetings, and to include reference to the powers used, if not already done so in the budget. The annual budget to reference the powers used for regular payments made.	Existing procedures adequate.
Minutes/ Agendas/ Notices Statutory documents	Accuracy, and legality Business conduct	L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following meeting. Minutes and agendas are displayed according to the legal requirements. Business conducted at Town Council meetings should be managed by the Chair.	Existing procedures adequate. Training/guidance given to the Chair (if required). Members to adhere to the Code of Conduct.
Members interests	Conflict of interest. Register of members interests.	L	Declarations of interest by members at Town Council meetings is a regular agenda item to remind members of their duty. Register of Members Interests forms are reviewed quarterly.	Existing procedure adequate. Members should take responsibility for this register.
Insurance	Adequacy, cost, compliance and fidelity guarantee	L	An annual review is undertaken of all insurance arrangements to ensure best value and that adequate cover is being achieved.	Existing procedures adequate.

Data Protection	Policy	L	Reviewed May 2018 for new GDPR. The Town Council is registered for Data Protection with the Information Commissioner.	Ensure registration annually.
Freedom of Information Act	Policy	L	The Town Council has adopted the Model Publication Scheme. The Town Council is aware that if a substantial request came in it could create a number of additional hours work. The Town Council can request a fee to supplement the extra hours.	Monitor any requests made under FOI.
Training	Lack of training can lead to incorrect decisions being taken and misinformation.	L	The Clerk/Cemetery Clerk/RFO should be provided with relevant training, reference books and access to assistance and legal advice required to carry out the role. The ground staff should have adequate training for their roles and the equipment used. Town Councillors should also be provided with training wherever applicable (whether new or refresher). The Town Council is a member of NALC & EALC which is a source of information/training for many aspects. It is useful but not essential for the Clerk to be CiLCA trained.	Consider regular training for staff and Councillors.
Audit – internal	Arrange once or twice per year of which one must coincide with the annual return	L	The Internal Auditor is appointed by the Council. Internal Auditor is supplied with relevant documents to audit and the required form to complete and sign.	Existing procedures adequate.
Insurance -	Legal liability as consequence of asset ownership	L	Trees inspected by specialist contractor annually. Play equipment visually inspected weekly, quarterly and annually by own staff and qualified inspectors. Playing fields, cemetery visually inspected weekly by own staff. Portable electrical equipment tested annually.	Existing procedures adequate.
Councillors	Losing Councillors or having more than 6 vacancies at any one time	L	When a vacancy arises there is a legal process to follow. The monitoring officer should be contacted. This either leads to an election or the co-option process. An election is out of the Town Council's control. The co-option process being with an advert, acceptance of applications, consideration of applications and a co-option vote held at a meeting. Appointment and formal co-option then takes place. If there are more than 6 vacancies at any one time, the Town Council would become inquorate.	Existing procedures adequate. Procedures determined by Monitoring Officer at CBC must be followed.

Litigation	Potential risk of legal action being taken against the Town Council	M	Public liability insurance covers general personal injury claims where the Council is found to be at fault, but not spurious or frivolous claims – these cannot be insured against. To date the Town Council has had one claim against them.	Insurance is adequate for requirements but there is still a risk of other claims.
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PHYSICAL EQUIPMENT OR AREAS				
Subject	Risk(s) Identified	H/M/L	Management/Control of Risk	Review/Assess/Revise
Assets	Loss or damage Risk/damage to third party(ies) property	L	An annual review of assets is undertaken for insurance provision, storage and maintenance provisions.	Existing procedures adequate. Asset register updated annually.
Maintenance	Poor performance of assets or amenities Loss of Income Risk/damage to third parties	L	All assets owned by the Town Council are regularly reviewed, inspected and maintained as required. All repairs and relevant expenditure for any repair is actioned/authorised in accordance with the current procedures of the Town Council. Assets are insured.	Existing procedures adequate.
Notice boards	Risk of damage by accident or vandalism	L	The Town Council has three notice boards which are inspected regularly when notices are posted. One board is aged and in need of replacement.	Existing procedures adequate.
Street furniture	See assets		See assets	See assets.
Meeting location	Adequacy. Health & Safety	L	The Town Council's meetings are held in the Council Chambers within the Council office. The premises and facilities are maintained by the Town Council and are considered to be adequate for the Clerk, staff, Councillors and Public who attend from Health & Safety, Disability Discrimination and comfort aspects.	Existing procedures adequate. Consider review of fire doors and a structural survey.

Council records – paper	Loss through theft, fire, or damage	M	The Town Council’s paper records are stored in the Town Council Office. The records include historical correspondence, minutes, agendas, insurance details, bank records etc. The records are stored in a fire proof filing cabinet and 3 safes where appropriate. The Office is locked when not in use. Historic records are kept at the Records Office at Essex Archive. There are a number of historical records in the loft area of the office which must be reviewed.	Existing procedures adequate. Consider a review of the historical records in the loft area.
Council records – electronic	Loss through theft, fire, damage or corruption of computer	L	The Town Council’s records are stored on the Clerk’s, RFO and Assistant to the Clerks computer. Back-ups of the files are automatic to The Cloud.	Existing procedures adequate.
Council Office and Ground staff depot	Loss of Income. Loss through fire, theft or damage prevents business continuity	L	Fire arrangements are checked quarterly. Fire extinguishers are maintained by a contractor annually. The premises are cleaned weekly. All equipment is inspected regularly. Security arrangements are in place at both locations.	Existing procedures adequate. Consider additional security measures at Rushmere Close.

Adopted: 6 June 2019
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Next review: March 2020