

RISK ASSESSMENT SCHEDULE



Assessment Criteria

Rating: Potential Consequence Score: 1-5
 Likelihood of Happening Score: 1-5
 Severity Level Score – Potential Consequence x Likelihood

Classification: 1-5 Low
 6-10 Medium
 11-15 High
 16-25 Very High

Topic	Risk Identified	Potential Consequence	Likelihood	Severity Score	Classi'tion	Measures to be taken to Reduce/Minimise/Control Risk
<u>Income</u> Precept	Not Submitted to County Council	5	1	5	Low	Full Budget process in place. Clerk/RFO to prepare budget annually between July-November, with member workshops. Finance Committee to consider budget annually in September, October/November Full Council to determine precept annually in December/January Clerk/RFO to notify Cheshire East in January.
	Not paid by County Council	5	1	5	Low	Clerk/RFO to monitor and report to Council Paid directly to bank account by BACS Maintain 4-6 months expenditure in general reserves
	Inadequacy of Precept	5	1	5	Low	The preparation of an annual budget together with the regular monthly monitoring of the budget by the Finance Committee with reports to Council if required.
Charges - Market	Risk of theft/loss of Cash collected – including collection of market rents, storage of cash and reconciliation of cash with recorded income.	4	2	8	Medium	CCTV installed at market, safe in office, Purchase Orders generated for specialist market lettings. Reconcile daily income sheet (income expected to income received). Two staff to sign all ADI(Analysis of daily income) sheets to confirm income is correct, one of which must be the Duty Manager. Quarterly internal audit.
	Security of Cash during transport.	3	1	3	Low	Cash collection contract with security firm. Reconcile daily income.

	Security of Cash during banking	3	1	3	Low	Only cheques are banked. Reconcile to monthly bank statement.
	Failure to review Fees	3	2	6	Medium	Annual Review of Charges by Council incorporated within budget setting process.
Charges – Civic Hall/Brookfield Hall	Security of cash collection	4	2	8	Medium	Segregation of duties, installation of cash tills, monitoring of credit card statements, record income daily with quarterly internal audit checks. Reconcile daily income sheet to cash taken with individual tills. Two staff to sign all ADI(Analysis of daily income) sheets to confirm income is correct, one of which must be the Duty Manager.
	Security of Cash during transport.	3	1	3	Low	Cash collection contract with security firm. Reconciled to daily income.
	Security of Cash during banking	3	1	3	Low	Only cheques are banked. Reconciled to monthly bank statements.
	Hiring Charges/Collection - Risk that Invoices raised are not in line with set fees	5	2	10	Medium	Responsible staff to ensure that booking forms are fully completed and signed for all casual hirers and regular hirers. Staff to ensure that booking forms correspond with on-line booking system Invoices to be reconciled with hiring fees Facilities Manager/Clerical Assistant to issue invoices
	Hiring Charges – Review	3	2	6	Medium	Annual Review of charges by Council during budget setting
Charges - Allotments	Tenancy Invoices – Risk that invoices are not raised or paid by tenants.	3	1	3	Low	Invoices raised automatically by software system and issued on a yearly basis. Payments monitored monthly with bank reconciliation.
	Security of cash collection	4	2	8	Medium	Cash and cheque payments made through the cash office/tills. Refer to security of cash collection under Civic Hall charges above.
	Security of Cash during banking	3	1	3	Low	Only cheques are banked. Reconciled to monthly bank statement.
Ticket Sales	Civic Hall Sales reconciliation of income against sales made	4	2	8	Medium	Segregation of duties, installation of cash tills, monitoring of credit card statements, record income daily with quarterly internal audit checks. Reconcile daily income sheet to cash taken with individual tills. Two staff to sign all ADI(Analysis of daily income) sheets to confirm income is correct, one of which must be the Duty Manager.

	Booking software system recording different ticket sales to finance software system	3	5	15	High	Risk identified by internal auditor during routine audit. Software reconciliation monitoring processes introduced. The Clerk/Deputy Clerk reconcile the booking system software ticket sales against the income received through the finance software following each show.
	Brookfield Sales reconciliation of income against sales made	4	2	8	Medium	Segregation of duties, installation of cash tills, monitoring of credit card statements, record income daily with quarterly internal audit checks. Reconcile daily income sheet to cash taken with individual tills. Two staff to sign all ADI(Analysis of daily income) sheets to confirm income is correct, one of which must be the Duty Manager.
Loss of Money	Business Interruption – inability to conduct daily business due to loss of money	5	2	10	Medium	Insured – Loss
Loss of Money	In Transit	5	3	15	High	Insured for £2,500
	Business interruption due to pandemic	5	3	15	High	Review approved budget by Council, cutting back on all non essential spend. Monitor income and expenditure on a monthly basis by Finance Committee
	In Premises	5	3	15	High	Insured for £2,500
	In Safe or Strong Room	5	2	10	Medium	Insured for £2,500
	Loss whilst in Private Residence of Member or Employee	5	3	15	High	Insure to £350
	Through theft or dishonesty of Staff or Members	5	2	10	Medium	Fidelity guarantee of £500,000.00
	Loss/miss-use of debit/creditcard	5	1	5	Low	Fidelity guarantee of £500,000.00. Regular monitoring of budget with reports to council on quarterly basis. The preparation of regular bank/cash reconciliations and their presentation to the Council. Officers approved use by Finance Committee. Credit card statement signed off each month by x 2 members.
Borrowing/Lending	Adequacy of finances to repay loan	5	1	5	Low	Provision made in Annual Budget Policy part of Investment Strategy. Currently no loan held by Town Council
Investment Strategy Income/Policy	Lack of Investment Strategy Policy	3	2	6	Medium	Policy in place Review Annually
	Missed Interest payments	2	1	2	Low	Check monthly statements to ensure receipt are recorded to correct account. Monthly reconciliation.
Reserves – General	Ensure Adequacy	5	1	5	Low	Consider at Budget Setting, Reserves Policy in place to retain 4-6 months expenditure
Reserves – Earmarked	Ensure Adequacy	5	1	5	Low	Consider at Budget Setting, in line with planned maintenance programme

	Unidentified /Recording	5	1	5	Low	Identified at Budget Setting and Recorded in Final Accounts. RBS software allows for separate recording of earmarked reserves
Reserves – Capital	Risk of spending on non capital items	5	1	5	Low	Investment Strategy in place, incorporating legal requirements relating to use of capital reserves. Capital reserves identified separately in earmarked reserves.
Expenditure						
Legal Powers	Illegal Payment or Activity	5	2	10	Medium	All statutory powers to undertake work recorded in minutes Ensure compliance with Standing Orders and Financial Regulations.Review of Standing Orders and Financial Regulations on yearly basis. Council currently holds General Power of Competence until next election May 23
Salaries/Wages	Wrong Salary Paid	5	2	10	Medium	Staff salaries signed off by x2 members monthly, payroll contracted out to Afford Bond
	Wrong Rate Applied	5	2	10	Medium	Reconcile with minutes of National Agreed Rates for Clerks, payroll contracted out
	False Employee	5	2	10	Medium	Finance Committee to undertake examination of PAYE records.
	Not Accounting for correct deductions of NI, Tax and Superannuation	5	2	10	Medium	Meeting the requirements of Inland Revenue with regard to the payments of NI/PAYE contributions and year end returns. Payroll contracted out to Afford Bond
	Loss of data on PC due to system fault	5	2	10	Medium	Back up data on a daily basis (remotely), with maintenance agreement with Prism.
	Missed Submission of PAYE records Payments	4	1	5	Low	Returns submitted monthly. Annual Return to be completed electronically.
Direct costs and overhead expenses	Goods not supplied	5	2	10	Medium	Check purchase order against delivery note, review goods received.
	Invoice incorrect	3	1	3	Low	Check arithmetic, check purchase order against delivery note. Check correct VAT calculated. Approved by Clerk/Deputy Clerk/Facilities Manager
	Cheque payable is excessive/ payable to wrong party	3	1	3	Low	All invoices approved by Clerk/Deputy Clerk/Facilities Manager with verification by x2 members
	Loss of stock before/during delivery	4	3	12	High	Review point of sale data, reconcile to stock. Quarterly stock take carried out.
VAT Payment Recovery of	Improper recording of input/output VAT	5	2	10	Medium	Dedicated computer software system in place and analysis sheet provided to local H.M. Customs and Excise in operation Yearly spreadsheet (issued by S Parkinson VAT expert) completed identifying total business and non business activities to ensure
	Improper Identification of Non Business Activities	5	2	10	Medium	

						compliance. Task completed by the Clerk before final year end VAT return.
	Inability to meet quarterly submissions to H.M customs	5	1	5	Low	Systems in place to ensure compliance. Quarterly internal audits
	Annual Reconciliation of quarterly returns	5	1	5	Low	
	Partial exemption applied	5	3	5	High	. VAT consultant provided spreadsheet to calculate yearly partial exemptions by Clerk.
Accounting	Non-standard and/or non-compliant records kept. b) Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns. c) Non-compliance with internal audit requirements	5	2	10	Medium	Continue to require adequate, complete and statutory financial records and accounts. Continue to ensure that all accounts and returns are completed and submitted by the deadline. Appoint internal auditor
Financial Assistance	Legal Power to contribute	5	2	10	Medium	General Power of Competence approved by Council 2019
	Compliance with Council Policy	5	1	5	Low	Educate/Remind members of Policy. Finance Committee consider applications and recommendations minuted. Approved by Council and minuted. Council Grants policy reviewed and updated April 2022.
	Risk of Overspend on budget	5	2	10	Medium	Clerk/RFO to monitor monthly and report to Finance Committee/full council
Mayors Allowances	Over/Under payments to Members/Mayor	4	1	5	Low	Members to complete and verify standard attendance/claim form.
	Maintain proper records	3	1	3	Low	Standard claim forms in place.
Other						
Assets	Significant Loss/Damage thereof	5	2	10	Medium	Regular inspection of Civic Hall, market/toilets Brookfield. Insure against all risks. Planned maintenance program developed.
	Risk or damage to third party property or individuals	4	2	8	Medium	£10,000,000 Indemnity of Public Liability in place. Review annually. Preparation of risk assessments for the works undertaken by and on behalf of the Council. Regular maintenance of assets and equipment of the Council. H&S Contractor appointed.
	Security of Buildings and Equipment	5	3	15	High	Shift duty managers in place at Civic Hall, CCTV in place at Civic Hall and Market. Buildings alarmed.
	Inadequate/no Asset Register	5	2	10	Medium	Update Asset Register annually
	Maintenance of all assets	5	3	15	High	Undertake repair and maintenance – Ongoing through planned maintenance program

Insurance	Risk of Public Liability, Employers Liability, Money, Fidelity Guarantee, property, loss of revenue, officials indemnity, libel and slander, personal accident	5	1	5	Low	Continue existing cover and review annually. Current Insurance deal ends May 2023. Need to have all buildings insurance value to be reviewed before May 2023.
Staff	Insufficient to deliver service	5	2	10	Medium	Review Staff Structure completed January 2021
Staff	Loss of key personnel – through ill health, retirement, long term sickness or even death	5	3	15	High	Review staff structures, working hours, duties and responsibilities as a matter of urgency. Immediately advertise vacancy and request help from remaining employees to cover temporary loss.
Consultations	Meeting of deadlines for response	2	4	8	Low	Appoint working group to consider consultative documents
Document Security	Appropriateness of existing facilities	5	2	10	Medium	fire resistant cabinets, storage by electronic means with Prism. All electronic files migrated to Cloud Jan '22. Deposit historical records with County archives.
Financial Records	Inadequate Records records retained as per retention policy and law	5	1	5	Low	Dedicate software package for Town and Parish Council in use. Support agreement in force with provider. Financial records updated monthly and backed up remotely daily.
Minutes	Accurate and Legal	5	1	5	Low	Reviewed, signed and dated at following meeting.
Health and Safety Risk Assessment	Failure to identify risks	5	5	25	High	Independent Health and Safety Consultant engaged to advise Council report to hand and implementing recommendations. Ongoing
Disability Discrimination Issues	Failure to identify and implement adaptations	5	5	25	High	Independent Consultants engaged to identify alterations, improvements to comply with legislation
Register of Members Interest, Gifts and Hospitality	Lack of Identification of interests and recording of gifts and hospitality	3	1	3	Low	Register of Interest file held and implemented. Declaration of Office signed by all members and copies held by Council. Published on Town Council Website.
Code of Conduct	Adoption of up to date Code of Conduct	5	1	5	Low	Code of Conduct adopted by Council and implemented. Employee code of conduct implemented.
GDPR	Not meeting requirements of new Regulations	5	3	15	High	Clerk carrying out pre audit survey, data protection audit, data protection report and action plan, provision of DP and retention policy. Registration with Audit Office
Contracts	Risk of complaint if a contract is unfairly awarded	3	1	3	Low	Adoption of standing orders and financial regulations covering the awarding of contracts and the issue of instructions to undertake works.
	Ensure continued value for money coupled with continuity of work.	3	2	6	Low	Approve the practice of seeking tenders for works and any future developments by advertising in local press and issuing specifications and tender documents to contractors expressing an interest. Tenders to be opened by the Mayor and Clerk, tender committee to consider and make recommendations to next available Council meeting.