

WESTGATE-ON-SEA TOWN COUNCIL

RISK ASSESSMENT AND MANAGEMENT SCHEME

6th June 2023

1. Introduction

- 1.1 The Council is expected to carry out an annual assessment of the financial and other risks it is exposed to and identify any actions it considers necessary to minimise those risks.
- 1.2 The following table attempts to identify the risks involved and recommends the necessary actions. The list is not exhaustive, and Council may wish to consider other risks not identified. The risks are colour coded to demonstrate the likelihood of a risk to occur – green for low, yellow for medium and red for high.

Service Area	Risk	Recommendation
Finances	Fraud and improper use of funds	Ensure procedures adhere to the Accounts and Audit Regulations 2015 whilst following guidance from the Governance and Accountability for Smaller Authorities in England for the preparation of accounts.
Comply with HMRC Regulations	Improper claim for VAT or insufficient payment of Income Tax and NI	VAT payments and claims are calculated by the RFO using the RBS software and checked by the Cllr Auditor. Internal Auditor checks annually at the audit. Payroll provider calculates the Income Tax and NI and provides a report to the RFO who submits the payment request to Unity Bank for authorising by two signatories.
Insurance	Public Liability (statutory) – insurance policy needs to be reviewed annually at renewal date	Existing cover £10,000,000
	Employers Liability (statutory)	Existing cover £10,000,000
	Money	Continue existing cover £2,500
	Fidelity Guarantee	Existing cover £500,000
	Contents and Assets (gates and fences allotments) The War Memorial Recreation Ground site was added to the insurance schedule and the additional insurance premium has impacted on the annual cost for the Town Council.	Ensure that any newly acquired assets or equipment are immediately notified to the insurer and added to the insurance schedule and any pro-rata fees paid. Following a review a new broker was engaged BHIB and a new insurer was appointed in August 2022 and Aviva is the current insurer for the Town Council for insurance requirements.
	Loss of revenue.	Existing cover £10,000
	Officials Indemnity.	Existing cover £500,000
	Libel & Slander	Existing cover £250,000

	Personal Accident.	Existing cover £100,000 - £200 per week temporary benefit
	Vehicle	Adequate cover for the use by cleansing operatives team and maintenance person
Payroll	Loss of data on PC due to system fault.	Back up to cloud-based service in place for all Town Council processes. Introduced a payroll provider to ensure calculation of salaries and pensions were undertaken by an independent professional company to comply with mandatory regulations such as the National Minimum Wage Regulations 2015. There should be investment from 2023 in a more user friendly website as the Town Council grows with the addition of assets and responsibilities.
Employees	Loss of services of employee.	Immediately advertise any vacancy (if permanent loss) and request help. Temporary cover sourced when required.
Service Area	Risk	Recommendation
	Risk of claims by employees	Ensure that Councillors and line managers respect and follow staff handbook requirements and that staff confidentiality is always adhered to. Use risk assessments where necessary, for example lone working, display screen equipment, machinery, and manual handling as per the requirement under the Management of Health and Safety at Work Regulations 1999. A Health and Safety Policy has been introduced for the Town Council. Town Clerk successfully completed the Managing Safely course validated by IOSH. Ensure that Councillors are aware of their duty of care as an employer – all employers are under a statutory duty to ensure the health, safety and welfare of their staff. This duty means that employers must identify any health and safety risks to which employees may be exposed at work and take appropriate measures to control any workplace risks. The three responsibilities of Duty of Care are health, safety and welfare of their employees.

Volunteers	Risk of claims by volunteers	A Volunteer Policy has been introduced for the Town Council and we have a Lost Children/Vulnerable Adult Policy that is used for events. Town Council adopted a Safeguarding Policy to demonstrate its commitment to keeping safe both adults, children and young people in the community who may be at risk. The Town Clerk has successfully completed Levels 3 and 4 Safeguarding Lead training in 2022.
Administration procedures	Payment arrangements	Continue with requirement to report all payments to Council for approval. Continue with requirement for signatories to initial cheque stubs. The Town Council introduced online banking to enable payments to be made via BACS, each of the transactions are authorised by two Town Councillors. Two additional signatories have been added to the bank system to ensure that adequate cover is in place to meet the minimum requirement of two signatories for authorising payment.
	Reconciliation	Continue with bank reconciliation to be carried out on the receipt of each statement. Cllr Veck has been appointed as Councillor Auditor to check the reconciliation each month.
	Agency advice	Continue with memberships of NALC, KALC and SLCC.
Allotments	Increase in net expenditure.	Review allotment rents annually and water rates against latest water bills. Review the budget and expenditure for the War Memorial Recreation Ground following the first full football season. Monitor the utility bills closely as the rising costs impact on the expenditure across the two sites including the Pavilion and Town Council office.
	Constant annual increase in expenditure allied with an increase in void plots.	Market vacant plots for allotments. Maintain the waiting list and ensure up to date details for those included on the list.
Precept	Annual precept not the result of proper detailed consideration.	Each Committee is consulted and considers budget requirements for following year and submits to Finance and

		General Purposes Committee to collate and recommend Budget to Full Council for Budget debate and consideration. Expenditure against budget reported to Finance & General Purposes Committee on a quarterly basis. The forecasting commences after Qtr 1 – end of June to enable Full Council to monitor expenditure against the budget for the fiscal year.
	Inadequate monitoring of performance.	Continue to regularly consider budget monitoring report (quarterly).
	Illegal expenditure by Members.	Following discussion with Chairman of Council and Councillor Auditor, RFO to report illegal expenditure to Full Council for investigation and action when applicable.
Service Area	Risk	Recommendation
Accounting	Non-standard and/or non-compliant records kept.	Continue to require adequate, complete, and statutory financial records and accounts. The Town Council Financial Regulations are reviewed on an annual basis and are covered in the Town Council Standing Orders to ensure they comply with statutory accounting guidelines as set out in Governance and Accountability for Smaller Authorities in England or known as the Practitioners Guide.
	Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns.	Continue to ensure that all accounts and returns are completed and submitted by the deadlines.
	Non-compliance with internal audit requirements.	Continue with appointment of internal auditor
Contracts	Ensure continued value for money coupled with continuity of work.	To ensure that the practice of seeking tenders for contracts and services is undertaken only by the RFO and adheres to financial regulations. The Town Council follows best practice and requires three quotations for any services and/or goods that are procured; in the event that a large value contract of £25,000.00 or more may be awarded the Public Contracts Regulations 2015 would apply. Town Council has adopted a

		Procurement Policy to provide additional guidance on factors considered when purchasing goods and services.
GDPR	Data breach that could incur financial penalties from ICO	Council are aware and Clerk/RFO keeping Cllrs informed of developments and updating on a regular basis. The Town Council has appointed the services of a Data Protection Officer to ensure that the General Data Protection Regulation implemented in May 2018 is managed and the risks are minimised. The Town Council has adopted a Record Management and Retention Policy to outline the process for record retention and disposal. A Privacy Policy has been introduced to address any Data Protection matters that may arise.
Office Space	Non-compliance with Health and Safety legislation	Town Clerk/RFO to ensure all necessary reports are obtained and in date, to procure professional services to undertake any plumbing or electrical works.
Policies and Procedures	Outdated and incorrect legislation referred to. Members are not fully versed in the Council policies and procedures and do not have an adequate understanding of the Standing Orders and Financial Regulations.	To review policies at least annually for the Town Council to ensure all current legislation is adhered to. Training is essential for all Members to ensure that there is a better understanding of the Council responsibilities and the role of a Town Councillor. Town Council has adopted a Training and Development Policy to set out the position and commitment on the provision of training and development opportunities for staff and Councillors. The core documents Standing Orders, Financial Regulations and Terms of Reference are the governance tools for the corporate body.
Service Area	Risk	Recommendation
Governance	That Council are not aware of potential risk and responsibilities	To review the Statement of Internal Control and Risk Assessment Management Scheme on an annual basis. This is best practice and complies with statutory accounting guidelines as set out

		in Governance and Accountability for Smaller Authorities in England or known as the Practitioners Guide.
Management and planning for the corporate body	Inadequate focus for the corporate body, resulting in loss of reputation and lack of public engagement	Town Council has an adopted Forward Plan which details the values of the corporate body and identifies the key themes and priorities for the next four years until 2024. This year the Forward Plan needs to be reviewed and updated, a one year Action Plan should then be formed to focus for the year 2023/2024.
Business continuity planning	Failure to undertake continuity planning including business continuity and community emergency plan.	Town Council has purchased laptops for all office-based staff to ensure all can work from home if necessary. The phone system allows for diverts to external telephone numbers to ensure the Town Council is still in contact with residents during a crisis. The Town Council has an adopted Community Emergency Plan.
Pension	Uninsured Risk - Liability for the Kent LG Pension Scheme payments for any employee on the scheme if the Town Council ceased to exist or the employee leaves the employment of the Town Council	To ensure that all future Town Clerk/RFO join the LGPS to ensure continuity of membership and that the scheme remains live for the Town Council.