



Financial and Management Risk Assessment

Version 2016 10 05 v1.0

Adopted 5th October 2016 Minute Ref: 151/16

Uppingham Town Council - Risk Assessment Matrix

Rating	Likelihood	Description	Rating	Impact	Cost	Timescales
1	Very Low	Highly unlikely to occur, may only occur in exceptional situations.	1	Very Low	No increase in budget	No change to timeline
2	Low	Most likely will not occur. Infrequent occurrence in other similar circumstances.	2	Low	< 5% increase in budget	< 1 week delay in timeline
3	Moderate	Possible to occur.	3	Moderate	5 - 10% increase in budget	1 - 2 weeks delay in timeline
4	High	Likely to occur. Has occurred in past similar circumstances.	4	High	10 - 20% increase in budget	2 - 4 delay in timeline
5	Very High	Highly likely to occur. Has occurred in past similar circumstances and conditions for it appear in this particular circumstance.	5	Very High	> 20% increase in budget	> than 4 weeks delay to timeline

Above are the criteria to be used for undertaking risk assessments for Uppingham Town Council

Adopted - 5th October 2016 as a living document that should be reviewed and updated when new risks and issues emerge.

Uppingham Town Council - Financial and Management Risk Assessment

This document has been produced to enable Uppingham Town Council to assess the financial and management risks that it faces and to satisfy itself that it has taken adequate steps to minimise them. Appendix 1 contains the Risk Assessment Rating matrix.

Risk No.	Subject	Risk(s) Identified (Description)	Likelihood	Impact	Risk Assessment	Mitigation / Control of Risk	Review / Assess / Revise
UTC001	Precept	Precept requirement inadequate	1	1	1	The budget is monitored on a quarterly basis by the Finance & General Purposes Committee with figures supplied by the Responsible Finance Officer (RFO).	Finance & General Purposes Committee to keep under review
UTC002		Precept requirements not submitted to RCC	1	1	1	The Town Clerk submits the precept figure to Rutland County Council in writing.	
UTC003		Precept submitted to RCC not accurate	1	2	2	The precept will be for a fixed sum of money and will only be finally determined by the full Town Council when all relevant facts are known to the Council including the size of any grant from Rutland County Council and the underlying tax base.	By resolution of the Full Council
UTC004	Financial Records	Records are not accurate	2	2	4	The Council has Financial Regulations that set out the requirements.	Existing procedure is adequate
UTC005		Financial irregularities exist	2	2	4	The Council has Financial Regulations that set out the requirements.	Review Financial Regulations annually.
UTC006	Bank & Banking	Checks on accuracy are inadequate	2	1	2	The Council has Financial Regulations that set out the requirements for banking, cheques and the reconciliation of accounts in a simple framework.	Existing procedures are adequate.
UTC007		Bank makes errors on council transactions	1	1	1	If the Bank does make an error when processing cheques and cash these are found when the bank accounts are reconciled on a monthly basis, any error is immediately reported to the bank and corrected by them.	Review Financial Regulations annually and the bank signatory list when necessary, especially after the AGM and an election.
UTC008		Loss through poor administration or slack control on security	1	2	2	Losses would result from a bank error and these would be immediately reported to the bank. Possible losses from unauthorised access to the Council bank accounts are minimal as security devices used to access the accounts to which only the Cash and cheques are banked within 5 working days.	Monitor Bank Statements monthly.
UTC009	Cash	Loss through theft or dishonesty	1	1	1	Access to petty cash is only open to the Clerk and Responsible Financial Officer and is regularly accounted for and balanced. Insurance cover is provided for infidelity.	Existing procedures are adequate. Review the Financial Regulations annually.

UTC010	Reporting & Auditing	Information and communication	3	2	6	A budget monitoring statement is produced for presentation to the Finance & General Purposes Committee on a quarterly basis. The accounts are open to public examination each year as required by the Accounting and Audit Regulations.	Existing communication procedures adequate.
UTC011		Compliance	3	1	3	The Annual Report is published on the Council's web-site. Auditing takes place on an annual basis.	The Council appoints an Internal Auditor each year to scrutinise the accounts. Further reassurance is provided by External Auditors.
UTC012	Direct Costs. Overhead Expenses. Debts.	Goods not supplied but billed.	1	1	1	The Council has Financial Regulations that set out the requirements	Existing procedure adequate. Review the Financial Regulations annually.
UTC013		Incorrect invoicing by suppliers	2	1	2	Prior to each meeting the invoices are checked by the Town Clerk and allocated a cost code. An Accounts Schedule is circulated to Councillors prior to the meeting and any Councillor can query an invoice with the Clerk. If satisfactory, the schedule is approved at	
UTC014		Cheque paid incorrectly	2	1	2	The Clerk or Responsible Financial Officer prepares cheques for payment and these are then checked by mandated signatories for bank account the payment is made from. 3 cheque signatories are required of which one can be the Clerk or Responsible Financial Officer. Where possible these should be signed outside of any	
UTC015		Loss of Stock.	1	1	1	The Council has only minimal stock, these are monitored by the Town Clerk.	
UTC016		Unpaid Invoices to suppliers	2	1	2	Unpaid invoices owed by the Council are pursued by suppliers.	
UTC017		Ensure third party suppliers terms of business are not inadequate	3	2	6	Ensure all suppliers, especially for projects in excess of £15,000 are suitably insured and are accredited undertake works in question. Where appropriate seek independent assessment via a credit reference agency such as Experian.	
UTC018	Grants and support – Payable.	Power to pay. Authorisation of Council to pay using approved framework.	3	1	3	All such expenditure goes through the required process of application and approval. Grants are minuted and listed.	Existing procedure adequate.
UTC019	Grants - Receivable	Receipt of Grants/commuted sums.	2	2	4	The Council does not presently receive any regular grants other than the Local Council Tax Support Grant from the District Council. One off grants or commuted sums come with terms and conditions to be satisfied	Existing procedure adequate.
UTC020	Charges / Rentals Payable	Payments of charges, leases, rentals.	1	1	1	Contractual rental and lease obligations are paid on receipt of invoice.	Existing procedure adequate.
UTC021	Charges / Rentals receivable	Receipt of rental income	2	1	2	Invoices for rents/leases are issued in advance of rental period. For services undertaken by the Town Council invoices are issued after the work has been completed.	Existing procedure adequate. Review agreements and fees annually (if not a fixed sum).

UTC022	Best Value / Accountability	Work awarded incorrectly outside of Financial Regulations	2	2	4	The Council has financial regulations that set out the requirements for the awarding of contracts. All contract awards are made at the relevant Committee meeting.	Existing procedure adequate.	
UTC023		Overspend on services results in impact on reserves	3	2	6	The Council has financial regulations that set out the requirements for the awarding of contracts. All contract awards are made at the relevant Committee meeting.	Existing procedure adequate.	
UTC024	Salaries and Associated Costs	Salary paid incorrectly	1	1	1	The Council authorises the appointment of all employees. Salary rates are based on the National Joint Council (NJC) for Local Government Services Pay Scales.	Existing appointment system adequate but could be improved	
UTC025		Wrong hours paid	1	1	1			
UTC026		Wrong rate paid	1	1	1			
UTC027		False employee	1	1	1	Salary analysis and pay slips are produced by the Town Clerk on a monthly basis together with a schedule of payments to HMRC (for Tax and NI). Records to be checked by Chair of F&GP Committee and Internal Auditor	Recording process for payroll records considered adequate by internal auditor at year end 31/3/16.	
UTC028		Wrong deduction of NI and Tax	1	2	2			
UTC029		Unpaid Tax & NI contributions by the payroll administrators	1	4	4			
UTC030	Employees	Loss of key personnel.	3	4	12	The Council would need to take steps to ensure continuity should the Clerk or Responsible Financial Officer leave office. Options could be through the future recruitment of a Deputy Clerk or by securing locum support through I&RALC.	To be evaluated and progressed.	
UTC031		Fraud by staff.	2	4	8	Financial risks are low as only minimal amounts of petty cash are held.	Existing procedure adequate	
UTC032		Actions undertaken by staff are unsatisfactory	3	4	12	Town Council staff are provided with relevant training, reference books, access to assistance and legal advice required to undertake	Existing procedure adequate but further work is needed and a plan to support an agreed approach.	
UTC033		Health and safety for employees inadequate	3	4	12	All employees are provided with adequate direction and safety equipment needed to undertake the roles, i.e. protective clothing and training. Professional consultants are retained to advise the Town Clerk on Health and Safety matters and to act as the Council's 'competent person'. They also provide due diligence on documentation, compliance and undertake risk assessments.	Health and Safety policy and guidelines will be reviewed annually. Appropriate training will be given where necessary.	
UTC034		Pension provision for auto-enrolment legislation - April 2017	3	4	12	All employees have to be taken through an enrolment process by the staging date otherwise Council can face fines of up £400/day.	Council seek third party advice to ensure it complies with legislation.	
UTC035		Councillor Allowances	Councillors paid more than due	1	1	1	The Chairman receives a small annual allowance to defray any expenses incurred with his Mayoral duties.	Existing procedure adequate
UTC036		Election Costs	Risk to budget from an unforeseen election cost.	1	2	2	The risk is higher in an election year. The Town Clerk obtains an estimate of costs from the District Council for a full election and an uncontested election. There are no measures that can be adopted to minimise the risk of having a contested election as this is a democratic process.	F&GP Committee to ensure that sufficient budget allocation to cover by-election costs.

UTC037	VAT.	Reclaiming / charging	1	2	2	VAT is reclaimed on a quarterly basis from HMRC and repaid by	Existing procedure adequate
UTC038	Annual Returns	Submit within time limits	3	2	6	The Financial Annual Return is completed by the Internal Auditor and the Town Clerk, approved by the Council and submitted to the External Auditor within the prescribed time limit.	Existing procedure adequate
UTC039	Legal Powers	Illegal activity or payments.	2	2	4	All activity and payments within the powers of the Council are resolved and minuted at meetings. Guidance and advice is provided to the meeting by the RFO. [The Town Council meets the eligibility criteria for and has adopted the General Power of Competence] - when achieved	Existing procedure adequate
UTC040	Agendas / Minutes / Notices / Statutory Documents	Accuracy and legality of Agendas/ Minutes /Notices/Statutory Documents.	3	2	6	Agendas and minutes are produced in the prescribed method by the Town Clerk and adhere to the legal requirements. Agendas are displayed and minutes are available in accordance with the legal requirements. Minutes are approved and signed at the following Council meeting.	Existing procedure adequate - guidance / training given to Chairman where required.
UTC041		Business Conduct	2	1	2	Business conducted at Council meetings is managed by the Chairman.	Members adhere to the Council Code of Conduct contained within the Standing Orders.
UTC042	Members Interests	Conflict of Interest	3	2	6	Members declare pecuniary interests at the meeting when the item "Declarations" is reached and when an item is discussed and it becomes apparent they have an interest.	Existing procedure adequate.
UTC043		Register of Member Interests	2	2	4	The Register of Members Interest is updated by Councillors when their circumstances change and is reviewed annually. All Registers are published on the Town Council website.	Councillors to take responsibility to update their entry in the Register.
UTC044	Insurance	Adequacy - policy cover council requirements	2	2	4	An annual review is undertaken prior to the renewal date of all insurance arrangements in place.	Existing procedure adequate.
UTC045		Cost - value for money via tender	2	2	4	A three year agreement for public liability insurance is normally agreed to ensure best value for money.	Review insurance provision annually.
UTC046		Compliance	2	2	4		
UTC047		Fidelity Guarantee	2	2	4		
UTC048	Data Protection	Policy Provision	3	2	6	The Town Council is registered with the Information Commissioner. [More work to be done around records policy]	Existing procedure adequate. Ensure annual renewal of registration.
UTC049	Freedom of Information Act	Policy Provision	1	1	1	The Town Council conforms with the Freedom of Information Act and responds to individual requests in accordance with it. The Town Council has adopted the model publication scheme and this is posted on the Town Council web-site and is available free of charge to all members of the public	Existing procedure adequate.
UTC050	Assets	Loss or damage Risk/damage to third party(parties)/property	2	3	6	An annual review of assets is undertaken for insurance purposes. The Town Council Office and Chamber are alarmed for fire and presence detection. Smoke alarms are in place.	Existing procedure adequate.
UTC051		Poor performance of assets or amenities.	3	3	9	All assets owned by the Town Council are regularly reviewed and maintained.	Existing procedure adequate.

UTC052	Maintenance	Loss of income or performance. Risk to third parties.	3	3	9	All repairs and relevant expenditure are actioned/authorised in accordance with the correct procedures of the Council. All assets are insured and reviewed annually. All public amenity land and play grounds are inspected regularly by Council employees	Existing procedure adequate.
UTC053	Street Furniture	Risk/damage/injury to third parties.	2	3	6	The Town Council owns lamp posts, seats and benches, gates, waste and dog waste bins. All are covered by the Town Council's insurance policy. Regular visual inspections take place by Town Council's in-house team. Faults are reported to the Town Clerk and	Existing procedure adequate.
UTC054	Play Equipment	Risk/damage/injury to third parties.	3	3	9	Two members of staff are trained to undertake visual inspections of the equipment. Regular inspections take place which are documented. A thorough RQSPA approved or equivalent annual inspection is	Existing procedures are adequate. Remedial work and repairs undertaken as necessary.
UTC055	Town Council Records - paper	Loss through fire, theft or damage.	2	3	6	The Town Council has adopted a records management policy which sets out retention and destruction periods for all Town Council records. [To be established] Paper records are stored in the Town Council office which has fire and intruder alarms. All recent records are stored in locked filing cabinets and keys are locked in a key cabinet. Records include historical correspondence, minutes, copies of leases, personnel records, salary details etc Original copies of deeds will be stored in secure safe affording a high degree of fire protection. Historic minutes are lodged with the Leicestershire County Records Office.[To be discussed]	Existing procedure adequate except items in [x]
UTC056	Town Council Records - electronic	Loss through fire, theft, damage, computer failure, hacking, virus infiltration.	2	3	6	A large amount of data including accounts and cemetery records are stored on the office computer system. A back up regime is in place: a back-up server has been installed and data is also stored off site in a cloud. Anti-virus software is installed and the system has firewall	Existing procedure adequate.
UTC057	Town Hall	Damage, theft, fire, flood.	2	3	6	The building has burglar, intruder and fire alarms. There is fire-fighting equipment in place which is regularly maintained. Fire drills are held every six months.[To be put in place	Existing procedure adequate, except for [x]
UTC058	Cemetery - London Road and Leicester Road	Memorial Safety. Employees, contractors and visitors	2	4	8	The Town Council has adopted a memorial testing policy. Two employees have been trained to undertake testing. [Not in place currently] Risk assessments are undertaken. A memorial testing regime has been put into place and remedial work undertaken where necessary.	Existing procedure adequate, except for [x]

UTC059	Public Open Spaces	Trees, paths, brooks, litter etc.	4	2	8	<p>The Town Council has adopted a tree maintenance policy and all trees on the Council's estate are inspected every three years on a rolling programme.[Not in place] Any necessary remedial work is undertaken as necessary.</p> <p>Main public areas are litter picked on a regular basis. Any anti-social behaviour is reported promptly to the police.</p> <p>Bye-laws are in place for all Town Council owned and managed land. A copy is available from the Town Council office.[In need of review]</p>	Existing procedure adequate, except for [x]
UTC060	Grounds maintenance equipment.	Damage, theft, injury to employees and others.	2	2	4	<p>A maintenance regime is in place to ensure that all of the equipment is in good working order.</p> <p>All equipment is insured and all staff are trained to use it. Personal protective equipment is provided to all employees. [Needs to be established and put in place]</p>	Existing procedure adequate, except for [x]
UTC061	Events Management	Injury to the public, employees. Damage to assets.	3	2	6	<p>An events management plan is produced which identifies risks and mitigation.</p> <p>Insurance is provided through the Town Council's policy or the organiser of the event is required to produce insurance certificates, risk assessments and an event management plan.</p> <p>Where a civic event is organised involving a military presence the Town Clerk is to engage the current Council insurer.</p>	Existing procedure adequate.

Appendix 1

Uppingham Town Council - Risk Assessment Rating Scale

