

Wigton Town Council: General & Financial Risk Assessment

| Subject | Risk | Risk Level | Management/Control of Risk | Comments |
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| FINANCIAL | | | | |
| Precept | Adequacy of precept in order that the Council can carry out its Statutory duties. | L | <p>To determine the precept amount required, the Council regularly receives budget update information at its meetings on a regular basis</p> <p>The finance committee recommend to full council the precept amount taking into account the council tax base and anticipated requirements for "business as usual" and project costs</p> | Council maintains capital reserves to cover 3 months financial activity as a minimum to work towards 6 months. UPDATE 2024 - 6 months reserves are available for TC and WBJC |
| | Future increases in precept may not allow for any necessary increase in services | L | Regular meetings of Finance committee ensures adequate monitoring of finances | |
| | Cumberland Council fail to pay precept | L | Council maintains capital reserves to cover 3 - 6 months financial activity as a minimum | |
| | Precept increases capped by Government. Increase may not be adequate to meet expenditure of additional services devolved under Localism Act | M | WTC is committed to working within financial limits set by Government. Cost/Benefit of services devolved from Cumberland Council to be financially assessed before any commitment to undertake service is agreed. WTC will also strive to continue delivering external contracts to safeguard income. | |
| | Budget overspend resulting in reduction of Capital Reserves | M | RFO maintains monthly records of actual expenditure against budget and updates will be given at full council meetings. Expenditure likely to reduce capital reserves can only be agreed by Full Council and must be supported by a Business Case for the expenditure | |

Financial Records

Inadequate records leading to Financial Irregularities

M

There is a new clerk and RFO in place that is inexperienced so while the Council comply with the financial regulations required and checked by internal auditor, there should be extra scrutiny around record keeping.

UPDATE 2024 - Clerk/RFO in place for 18 months and there has been no budget overspend and financial documents have been produced and shared with members.

Purchasing and payment records. Fraud resulting in financial loss

L

Purchases are governed by Standing Orders and Financial regulations, including requirement for estimates, quotes and tenders from suppliers. Invoices checked before payment and payments checked. All invoice and payment records are retained for audit.

Standing orders updated after it was agreed at full council to allow the clerk to authorise payments up to £500 and committees up to £1500

Accounting System: Accounting Errors resulting in financial loss.

L

RFO responsible for accounting system. Entries and records subject to internal/external audit.

RFO is solely responsible for entries from February 2023
UPDATE 2024 - New assistant clerk has now been trained to use Scribe the accounting software and is competent at uploading invoices and completing month end financial documents

Banking & Bank Accounts

Banking controls. Poor controls may lead to irregularities with potential for financial loss

L

The council has adopted The Financial Regulations which set out banking requirements

WBJC require two signatures. Online banking is used to make payments that have been approved by full council or committees.

Incorrect payment resulting in financial loss

L

Payments checked against invoiced values. 2 signatories required for cheque payments.

DD payments set up for most of utility bills including PAYE. BACS transfers preferred option of payments

Bank default resulting in financial loss

M

Public bodies do not benefit from banking guarantees. Currently all accounts held with Cumberland Building Society

UPDATE 2024 - Will be looking at banking options so that not all WTC and WBJC money is stored with one bank.

Internet Banking: Financial loss resulting from incorrect payments

M

Payments and invoices checked and accounted for. Payment lists and uncashed items are double checked before payments are made to ensure there are no duplicate payments made. Payments are also only paid by RFO.

Internet Banking/online payments: Financial loss resulting from unauthorised access and fraud

M

Access approved to signatories only. Security in place via phone line with security code to TC office only. .

UPDATE 2024 - WBJC now makes payments online with both signatories receiving an email to approve.

Other unauthorised and fraudulent access to accounts and account information including cyber attack

M

Mainline and reputable bank used. Regular checks of accounts made, including reconciliations. Computer system protected by anti-virus products. RFO must undertake relevant training to be aware of fraudulent activities.

Increase in sophisticated methods of fraud. UPDATE 2024 - System IT are used by the TC to manage IT, this includes computer back ups to the cloud every 24 hours.

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| Financial Reporting & Audit | Inadequate or inaccurate financial information reported to Council resulting in poor financial decisions | L | budget set annually by council. System of delegated authority allows committee authorised expenditure within set budget. Budget monitoring routinely undertaken and reported to finance committee for review | Changed to medium risk because of new and inexperienced RFO. UPDATE 2024 - changes to Low as there have been no issues over 12 months. |
| | Inadequate financial information presented in the public domain resulting in non compliance with the FOI regulation and Financial Regulations | M | Financial information available to the public upon request and at council meetings. Transparency requirements - now must be published on website | Issues with website have resulted in not all information being accessible. UPDATE 2024 - Website has been cleaned up with all information available. |
| | Inadequate Internal Audit resulting in non compliance of regulation | L | Independent Internal auditor appointed by council. Audit undertaken bi-annually. Hard copy of financial transactions maintained. Internal audit reported to council | UPDATE 2024 - New internal auditor in place approved by CALC. |
| | Competence of Internal Auditor resulting in audit error and discrepancy | L | Independent Internal auditor appointed by council. Appointment reviewed every 3 years in compliance with Local Audit and Accountability Act 2014. | |

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| Financial and General Risk assesement | Risk Assessment not reviewed annually leaves council at Risk | L | Requirement to review annually | |
| | Inadequate Risk Assessment leaves Council At risk | L | Requirement to review annually. Identification of Risks and risk level to be reviewed on more frequent basis | Ongoing |

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| Council Annual Audit Return | There is a risk of Incomplete audit returns for 22/23 as inexperienced RFO in place, this could leave in a position of non compliance and potentially subject to financial penalties | M | Annual return completed, reviewed and signed by council. Checked by Internal Auditor then sent to External Auditor within timeframe | UPDATE 2024 - 2022/2023 external audit still not received by Moore Group. |
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| VAT Accounting | Correct VAT Accounting | L | The Town Council is able to reclaim VAT paid. VAT accounting is completed on in-house accounting system. Subject to Internal Audit. | |
| | Timely Submission. Late submission could result in fines being imposed | M | Quarterly submissions made in accordance with HMRC requirements | One penalty received due to not being able to access the VAT account as the phone number attached was the previous RFO's phone number. UPDATE 2024 - all VAT up to date and 2022-2024 also been checked with errors resolved. |

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| Insurance | Inadequate Insurance Cover places the Council at Risk | M | Annual review is undertaken of all insurance arrangements and requirements. Asset register checked and submitted to insurers | |
| | Insurance Cost | L | Reviewed annually. Town Clerk seeks Best Value | |
| | Compliance: Non- compliance with insurance condition will void policy cover | L | The Town Council is understood to be compliant with all insurance conditions | |

MANAGEMENT

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| Salaries & associated costs | Salary/Pay Reviews | L | Salaries based on NJC pay scales, pay awards in accordance with NJC rates | |
| | Incorrect Salary payment | L | Salaries calculated via HMRC system. Payment via BACS | RFO input figures into Scribe |

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| Staff & Employee Issues | Gross Misconduct & Fraud | L | Disciplinary procedure implemented where required. Staff aware of policy | |
| | Issues resulting in Employment Tribunal with consequential legal & compensation costs | L | Town council endeavour to resolve issues at an early stage following grievance and disciplinary procedures. Advice taken from HR experts in the event of a dispute | |
| | Health & Safety of Staff and Employees: Accident resulting in injury or activity/environment resulting in ill health | M | Health and Safety policy in place. All staff aware of H&S requirements with regard to the public, use of machinery, manual handling etc. TC to look into outsourcing H & S | H&S compliance is essential so a H&S calendar needs to be created. |
| | Not having enough experienced office staff to undertake all duties. | M | Training must be undertaken by all staff. Help should be sought from other councils/clerks and CALC/NALC | |

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| Critical Staff: Contingency planning | Resignation or unplanned absence of The Clerk/RFO | H | Contingency needs to be in place - Locum Clerk to be sought from CALC | UPDATE 2024 - From September 2024 the assistant clerk will be trained as the deputy clerk and will be able to complete the same tasks as the RFO. |
| | Resignation or unplanned absence of the Grounds Supervisor and staff | H | Ability to carry out external works contracts resulting in potential loss of income and contracts as well as potential agency costs | |

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| Business Continuity | Loss of business continuity due to loss of hard copy record through fire or theft | L | Records currently stored in fireproof cabinet in the TC Office. Many held on computer system and recoverable. Records are also saved into the cloud every 24 hours. |
| | Loss of business continuity due to loss of electronically stored records due to fire or computer system failure | L | All data backed up in cloud and updates every 24 hours |

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| Members Declarable Interests | Members legally required to declare pecuniary & person interest in any matter. Covered by standing orders and code of conduct+C83:F93 | L | Register of Members interests reliant on honesty and integrity of councillors. Councillors governed by Code of Conduct and legal requirement to declare interests. Interests declarable upon election and prior to any decision amking meeting |
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UPDATE 2024 - Link to interests is on the TC website.

LEGAL

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| Agendas & Minutes | Accuracy and Legality: Council or Committee decision incorrectly recorded | L | Issued in draft and approved and published within required deadlines |
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| Posting of Statutory Notices and Documents | Incorrect, or absence of, posting of Statutory Notices and Documents leading to public misinformation and council regulatory non compliance | L | All displayed on Town Notice Board and Website |
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| Conflict of Interests | Conflict of Interests not declared could result in legal action being taken and bring the Council into disrepute | L | Members legally required to declare pecuniary & person interest in any matter. Covered by standing orders and code of conduct. Agenda item at each meeting |
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| Data Protection | Non compliance could result in legal action being taken and bring the council into disrepute | L | Town Clerk and assistant have undertaken relevant training. Policies and procedures in place. Requirements of Data Protection Act understood and followed |
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| Freedom of Information | Non-compliance could result in legal action being taken and bring the council into disrepute | L | Information available to the public via notice-boards, attendance of meetings & website. Office open for members of public to request information either in person, by email, or phone |
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| Elections or councillor resignations | Risk of Unplanned Elections due to departure of councillors & additional costs | L | Potential costs for elections budgeted for. Co-option available between terms |
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| Reputation and perception | Risk of Adverse publicity | M | Decisions made do not necessarily gain public approval. Meetings open to the public and information disseminated. Thorough research and responses/explanations put in public realm. Media policy in place |
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PHYSICAL

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| Assets | Loss or Damage to Asset | M | Routine inspection by staff. Continual review of asset register, along with insurance provision. | |
| | Insurance | L | Assets insured to current valuation where appropriate | |
| | Poor performance of assets or amenities | H | All assets regularly reviewed. Historic lack of maintenance to premises has resulted in poor condition of buildings - Public Park Bower and Toilets. Some work has already been undertaken but more work still required | Councillors have noted the deterioration of Bower, Park, Paths, Toilets |

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| General Maintenance | Failure to inspect and act on finding could result in accident/injury & claims | M | Inspection schedules in place - eg CPA twice weekly. Damaged assets removed from public realm |
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| Notice Board | Risk of damage or legal challenge to statutory advertising procedure. | L | The Town Council currently have 1 noticeboard. Board routinely checked. |
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| Meeting locations | Adequacy/fit for purpose | L | Meetings held in venue with appropriate facilities |
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| | Disablement Discrimination act | L | Venue is compliant with the Equality Act | UPDATE 2024 - TC need to provide facilities for those hard of hearing as the meeting rooms are rented and not the responsibility of NADT. |
| Toilets | Unplanned toilet closure | M | Notice displayed when this occurs. No other public toilets in town. | |
| | High operating costs | M | Council will endeavour to obtain best value for cleaning and maintenance. | UPDATE 2024 - Regular cleaner in place who is value for money. |
| | H&S- Accident resulting in injury | M | Toilets inspected daily by cleaning company | |
| Childrens Play Areas | Damage/Vandalism to equipment | H | Regular inspections by Groundstaff, all Criminal damage to be reported to Cumbria Police | |
| | Reports of ASB from members of public | H | Encourage reporting of every incident to Cumbria Constabulary. Investigate measures to help eliminate incidents | |
| Barton Laws | Flooding Issues to pitches and Changing Rooms | M | Maintenance reserve fund in budget. Liaise with EA. | |
| | Vandalism to Changing Rooms/Public Toilets | L | Buildings secured. CCTV Installed and public toilets have been demolished | |
| Street Furniture | Third party claim due to poor maintenance | L | Regular inspections by staff identifies issues early | |
| War Memorials | Poor maintenance devalues historic monument | M | Issues identified. Quotes awaited for remedial works. Grant applications potentially a funding option. Not sure of update here - refer to WBJC | Still ongoing |

Allotments

Failure to comply with statutory requirements

L

Still a long waiting list

Failure to impose rules and regulations

M

Risk of complaints from the public and allotment holders. Rules recently reviewed, check list updated

Councillors to be consistent in applying rules and regulations.

Inadequate pest control

L

Parks staff now gained necessary qualification in Pest Control. Allotment holders given advice and contact details. WTC will deal with on "come to notice basis"

Bowling Club

Failure to maintain club house resulting in devaluation of asset

H

Parks staff currently carry out routine maintenance. New agreement with Park Bowling Club members in place. This includes club helping with grounds maintenance side. TC still maintain club house

Club house is in tired and old condition. Footpaths and Parks committee to consider its future

Cemetery Chapel & Vestry

Poor Maintenance and upkeep leading to devaluation of asset

L

WBJC completed maintenance works to Vestry and Chapel Early 2017. WBJC working on business plan going forward

Historical documents and burial records being damaged/lost

L

Record books are now with ABC and copies in suitable cabinet in Vestry. Computerisation of records finalised with ABC having full disclosure.

UPDATE 2024 - Gower uaed to hold electronic information.

Cemetery House

Poor Maintenance and upkeep leading to devaluation of asset

M

Dampproofing and repairs need to be made

UPDATE 2024 - Survey now completed.

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| Cemetery Grounds | Health and Safety issues regarding grave digging | L | Grave digging now contracted out to qualified persons. |
| | Health and Safety issues regarding unsafe memorials | L | Memorial inspections completed. WBJC authorised repair of unsafe memorials. Work on a rolling programme |
| | Health and Safety issues regarding grounds maintenance works | L | Safe working practices to be followed. . Grave digging now outsourced |

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| WBJC | | | |
| INCOME/EXPENDITURE | Financial support from 3 parishes - Wigton, Waverton and Woodside | M | <p>WBJC should continue to receive financial support from all three parishes as long as budgets reflect a need for income.</p> <p>UPDATE 2023-2024 Joint Accounts are required which need to be manually calculated.</p> |

Updated
by E . Ireton June 2024

