

RISK AREA	RISK(S) IDENTIFIED	Likelihood	Impact	Risk Assessment (with mitigation)	MITIGATION CONTROL OF RISK	REVIEW / ASSESS / REVISE
1. To provide and maintain standards for Town Council services to the residents of Buckingham	Legislative change which will have an impact on the Town Council's powers, duties and funding	1	3	3	RFO, Councillors & staff keep apprised of developments & good practice, including through SLCC, BMKALC & NALC membership. Appointed Compliance Manager Dec 22	Existing Procedures are adequate
	Loss or damage to physical assets owned by the Town Council including buildings and equipment	1	4	4	All physical assets insured	Existing Procedures are adequate
					All assets checked regularly, including review of the asset register each year in preparation for the Annual Return	By annual resolution of Full Council
					Assets recorded and managed through RBS asset tool.	Existing Procedures are adequate
	Damage to third party property or individuals as a consequence of the Town council providing services (public liability)	2	3	6	Public liability Insurance renewed annually	By annual resolution of Full Council
					In addition, weekly and annual checks of play equipment are made using ROSPA standards	
Insufficient staff or other resources to deliver the service needs	2	3	6	Staff have general awareness of other team member's essential tasks and can provide cover when required; each service role can be delivered by at least three staff members	Existing Procedures are adequate	
				Town Clerk to formally monitor and review staff and work levels, including through the annual appraisal process. Any concerns regarding this to then be brought to Council	Review annually through appraisal process	
2. To provide a safe and fulfilling working environment for staff	Employees contravene H & S policy and legislation	2	3	6	H & S & First Aid training, insurance, Risk Assessments regularly checked and updated	Existing Procedures are adequate
	Potential legal proceedings up to corporate manslaughter	1	4	4	Employer's Liability insurance is in place	Existing Procedures are adequate
					Employee training and awareness	Existing Procedures are adequate

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	Staff retention issues	3	3	9	Staff training where appropriate. Annual appraisals review four year goals in addition to reviewing annual performance and setting annual objectives and where appropriate plans put in place to support career progression. The organisation is too small to enable career progression for all staff, so the likelihood is significant.	Existing Procedures are adequate
3. To maintain financial records that are correct and comply with all recommended accounting practice	Adverse audit reports, legal action and loss of confidence in Town Council	1	3	3	RFO keeps up to date with legislative changes, discusses latest requirements with internal and external auditors.	Existing Procedures are adequate
					RBS used to manage accounts and provide regular reports to Resources Committee to provider assurance	Existing Procedures are adequate
	Loss of income through error or fraud	1	3	3	Fidelity Guarantee Insurance RFO continually reviews controls and current procedures	Existing Procedures are adequate Existing Procedures are adequate
4. To ensure that all actions taken by the Town Council comply with all current Legislation	Non-compliance with legislation or practice result in Council being 'Ultra Vires'	1	3	3	RFO to keep appraised of developments and good practice and seek advice as needed, including through SLCC, BMKALC and NALC membership. Internal and external audit process.	Existing Procedures are adequate
5. Cemetery	Inadequate space to meet demand	3	4	12	Additional 64 burial spaces created 2018/19 in Brackley Road Cemetery. Additional Garden of Rest created during 2021. New cemetery project in progress.	Existing Procedures are adequate
	Loss of income	3	4	12	Additional 64 burial spaces created 2018/19 in Brackley Road Cemetery. Additional Garden of Rest created during 2021. New cemetery project in progress.	For six monthly review; operational site required by 2024
6. Employment Contract	Compensation claims from employee for contractual employment defects (including statutory failure)				Contract of employment in place, accompanied for all staff by handbook containing key policies which has been quality assured by a specialist partner company.	Annual review
					Matters relating to staff discussed by Staffing (Confidential Matters) Committee	Existing Procedures are adequate
		2	3	6	Town Clerk to keep up to date with employment law and seek HR advice where appropriate	Existing Procedures are adequate

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					Contract with a specialist partner company in to quality assure contracts, policies and processes and provide expert advice as required	Existing Procedures are adequate
					Other policies in place	Existing Procedures are adequate
					Legal insurance in place	Existing Procedures are adequate
7. Staff	Impact of staff loss	4	2	8	By distributing knowledge and roles ensure, so far as reasonably practical, that loss of any one employee does not cause unrecoverable damage to business. All service roles able to be delivered by at least three staff	Existing Procedures are adequate
	Loss of key staff trained in financial systems, process or rules	4	2	8	Staffing arranged so that knowledge is distributed between RFO and at least two other staff	Existing Procedures are adequate
					Use of common systems, including popular accounts system, and retention of detailed manuals.	Existing Procedures are adequate
8. Financial Control	Inappropriate expenditure made	1	4	4	Payments reported to Resources committee for review and corrective action if necessary	bi-monthly reports
					Financial procedures ensure no individual has unique access to expenditure	By annual resolution of Full Council
	Financial Regulations become out of date with change in technology, regulation or business	2	3	6	Council to review financial regulations once a year	By annual resolution of Full Council
					Annual internal audit to comment on any need to make updates	Annual review
					The RFO and Clerk react to any changes in legislation or other areas in order to ensure the regulations are fully compliant and also provide a strong framework compatible with Council's practices	Existing Procedures are adequate
	Lack of budgetary overview/overspend against budget	1	3	3	Quarterly review of nominal ledger	Quarterly review
					Monthly review of income and expenditure	Monthly review
				Seven week review by Resources Committee	bi-monthly reports	
	Lack of finance to meet unbudgeted, urgent commitments (with safety or other critical implications)				Contingency included in budget	By annual resolution of Full Council

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		2	3	6	Further Reserves of equivalent to at least three more month`s spend available for use within 24 hours	Existing Procedures are adequate
9. Systems & Record keeping	Lack of accurate or effective account records and control	1	3	3	The RBS Omega accounts system is used which is an accepted accounts package All data is saved to a cloud server offsite, which is backed up by the Council's contractor daily.	Existing Procedures are adequate Existing Procedures are adequate
	Loss of data	1	3	3	Hard copies linked to council reports are held on file together with bank reconciliation reports, invoices/receipts/payments and cheques issued	Existing Procedures are adequate
					All cheques issued from the main account are authorised and signed by 2 Councillors with retrospective approval by the Resources Committee. (Approval is given by email by at 2 councillors where cheque signing is not possible)	Existing Procedures are adequate
					Documents are retained for 12 years	Existing Procedures are adequate
	VAT not accurately managed	1	3	3	The RBS Omega system incorporates a VAT schedule which is an accepted package that allows differentiation between tax rates etc. and is itemised in a full report relating back to the original item within the accounts.	Existing Procedures are adequate
					VAT is applied to all mileage payments at the rate applicable at the time as advise by HMR&C	
					VAT returns are lodged digitally on a quarterly basis in line with accepted procedures	Existing Procedures are adequate
					Procedures are inspected by HMR&C every three/four years and have been approved	Existing Procedures are adequate
	Payroll / Pension				Payroll is outsourced to a specialist company	Existing Procedures are adequate
					The Town Clerk authorises any overtime, mileage or special duty payments act, on a monthly basis	Existing Procedures are adequate
Hard copies linked to payroll reports are held on file together with payslips, BACs payments and cheques issued to the pension fund and HMRC					Existing Procedures are adequate	

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		1	3	3	All BACs payments and cheques to the pension fund & HMRC are authorised by council on a meeting cycle basis	Review by Councillors
					The monthly pay is issued via BACs payments which have been established for some time with the bank	Existing Procedures are adequate
					Payments can only be issued for the nominated employees, which must be authorised in advance of the payment, with accuracy checked by a further officer.	Existing Procedures are adequate
					Documents are retained for 12 years	Existing Procedures are adequate
					Annual pension and year end payroll returns are issued in a timely manner to the appropriate bodies that inspect the information & highlight and discrepancies	Existing Procedures are adequate
					The Council agrees the salary scales for Town Council staff	By annual resolution of Full Council
10. Banking Arrangements & Procedures	Lloyds Bank is used which offers no Bank charges	1	3	3	One bank account used daily with RFO, Finance Officer & DTC	Existing Procedures are adequate
	Accounts	1	3	3	Reserves above two months expenditure are placed into a higher rate deposit account to maximise income while not affecting cash flow	Existing Procedures are adequate
11. Banking Security/Access to Finances	Cheques	1	3	3	Each cheque is drawn from the main account and must be signed by 2 Councillors as detailed on the back mandates (which are amended when required to ensure that sufficient signatories are available at all times)	Existing Procedures are adequate
	Transfers	1	3	3	Transfers to the higher rate deposit account or the CCLA deposit account are done via telephone or online banking by the RFO. Funds in the higher rate deposit accounts can only be transferred into the general savings account.	Existing Procedures are adequate
	Bank Reconciliation				All accounts are reconciled using the RBS Omega system within 10 days of receipt of any statement	Existing Procedures are adequate
					Any discrepancies are immediately reported to the bank for investigation	Existing Procedures are adequate

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		1	3	3	All petty cash accounts which do not have statements are reconciled on a monthly basis by the Finance Officer against the cash held and any discrepancies are immediately reported to the RFO	Existing Procedures are adequate
	Separation of Duties	1	3	3	The office has established separation of duties to ensure that no one person has access to the bank balances and cash. Two Councillor's signatories are required at all times. Petty cash is overseen by each location manager.	Existing Procedures are adequate
	Access to the main bank accounts				As detailed under Banking arrangements & Procedures above, no one person has access to monies held in the main accounts. Any new bank accounts would require agreement from the Town Council and two signatories	Existing Procedures are adequate
		1	4	4	All invoices are checked by the Finance officer in advance of payment and if related to an order, this has passed through the ordering procedure which has numerous stages of authorisation to ensure that fraudulent activities are not taking place (please refer to the Ordering Procedure section)	Existing Procedures are adequate
	Access to petty cash accounts	1	3	3	The Financial Regulations specify maximum balances to ensure that individuals do not have access to large amounts of money. The petty cash is kept in a locked drawer and access is restricted to Finance Officer and DTC.	Existing Procedures are adequate
	Cheques	1	3	3	All invoices will either have a Purchase Order or are authorised by either Clerk, DTC or Estates Manager. They are paid via cheque, which requires 2 Councillor's signatories, or BACs. Councillors also see the related invoice and authorise this with their signature	Existing Procedures are adequate
	Petty Cash – Cash Payments	1	2	2	All payments made in cash must be substantiated by an invoice etc. These are reviewed monthly by the RFO once reconciled.	Existing Procedures are adequate
					All payments are reported to Resources with a full reconciliation report	Existing Procedures are adequate

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	Hire Charges	1	3	3	Council agree the charges	Existing Procedures are adequate
					The office must abide by these rates and any requests for preferential rates must be made by the hirer to Council for their approval	Existing Procedures are adequate
					All bookings must be paid for in advance to avoid bad debts. Block bookers are invoiced or given the option of paying the sites on a weekly basis. Hirers pay deposits.	Existing Procedures are adequate
	Hire charges received within the office	1	3	3	All post is logged by an officer and any payments received are itemised & given to the Finance Officer for processing	Existing Procedures are adequate
	Cash collected from community events	1	2	2	All cash collected at events is collected by appointed staff and volunteers in approved charity buckets which are allocated at the start of the event	Existing Procedures are adequate
					Any buckets are locked securely in the Town Council office or Chamber and at the end of the event	Existing Procedures are adequate
					At the office the cash is emptied and counted manually at the latest on the following working day by at least two members of staff	Existing Procedures are adequate
	Processing and banking	1	2	2	When the money is received it is balanced by the Finance Officer within the office against any receipts/invoices and any discrepancies are followed up	Existing Procedures are adequate
					When the monies have been balanced, the details are input onto the RBS Omega system and all entry references are printed out and retained	Existing Procedures are adequate
					The hire charges are banked when received	Existing Procedures are adequate
					The cash element is usually below £500	Existing Procedures are adequate
					A unique pay in reference is applied to each batch of banking which is loaded onto the RBS Omega system which is then checked against the bank reconciliation	Existing Procedures are adequate

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					This is a strict routine that ensures that any booked hire cannot proceed without receiving the payments and guarantees that all monies are accounted for	Existing Procedures are adequate
12. Financial Administration	Records non-compliant or inadequate	1	3	3	Internal auditor reviews record keeping twice a year	Existing Procedures are adequate
					Advice taken from internal auditor, external auditor, accountant, SLCC + NALC on changes in regulations	Existing Procedures are adequate
	Expenditure/income coded incorrectly	1	3	3	RFO checks nominal ledger every quarter	Existing Procedures are adequate
					Items are coded	Existing Procedures are adequate
	Standing Orders	1	3	3	The Town Clerk reacts to any changes in legislation, requests from Town Council or other areas in order to ensure the regulations are fully compliant and also provide a strong framework compatible with Council practices	Existing Procedures are adequate
					Standing orders are reviewed and approved by Town Council on an annual basis	
	Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns	2	3	6	Programme of meetings to meet statutory deadlines	Existing Procedures are adequate
					RFO and Deputy Town Clerk check meeting dates each year against statutory requirements	
	Invoice payment without authority	1	4	4	All payments reviewed against purchase order where one exists, or Nominal Ledger code provided by RFO to authorise payment. Two Councillors sign cheques and Resources Committee review all payments	Existing Procedures are adequate
	Incoming cash and cheque misappropriation	1	3	3	Individual receipts to be issued for all cash payments and for cheque payments on request	Existing Procedures are adequate
Theft of funds	1	3	3	Bank statements reconciled monthly, Fidelity Insurance in place against theft of funds by staff, Councillors and other persons. Chair of Resources checks and signs bank reconciliation once a quarter.	Existing Procedures are adequate	

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					Cash and cheques stored securely and banked within 5 working days of receipt	Existing Procedures are adequate
	Incorrect entries by bank	1	3	3	Bank statements reconciled monthly	Existing Procedures are adequate
13. Ordering Procedure	Fraud / expenditure takes place without the correct authority	1	3	3	A comprehensive ordering system is established which ensures that all orders are requested in writing, correctly authorised by the RFO or approved by council & are within acceptable budget limits	Existing Procedures are adequate
					This system incorporates job numbers/minutes and RBS Omega codes so that any order can be traced from origin to finish across a variety of systems	Existing Procedures are adequate
14. Annual Budget & Precept Calculations	The annual budget and precept calculations	1	3	3	The annual budget and precept calculations are initially calculated in October/November based upon the performance of the prior year and incorporating projected requirements which have been lodged by the office and Council members	Existing Procedures are adequate
					The RFO also completes a mid-year review in November for the current year to calculate possible year end surpluses which may be incorporated within the future budget. The actual precept level is then calculated from the balance sheet assuming that the remainder of the current year's budget will be utilised in order to estimate the year end bank balance	Existing Procedures are adequate
					The new budgeted income, expenditure and reserves are then set against this balance in order to calculate a budget shortfall on which the future precept is based	Existing Procedures are adequate
					The new budget is discussed and fine-tuned during December Council and Committee meetings after the up to date number of band D properties have been confirmed by the Principal Authority.	Existing Procedures are adequate
					Minutes are recorded at each stage to substantiate the budget development	Existing Procedures are adequate

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					The final budget is discussed by a Precept meeting of Full Council in January. The Principal Authority is advised of the precept for the coming year once agreed	Existing Procedures are adequate
	Loss of income due to a reduction in the Council Tax base	2	1	2	The Council receives the Council Tax base figures in time to set a budget that takes account of them.	
15. Monitoring of Budgets	Comprehensive budgets	1	3	3	Comprehensive budgets are set for each committee & these are loaded onto RBS Omega accounts system at the start of the new financial year	Existing Procedures are adequate
	Monitoring	1	3	3	On-going daily expenditure has already been incorporated within the budget and the RFO monitors invoices etc. against the budget schedule to confirm that they are within the limits	Existing Procedures are adequate
					All orders are checked against the accounts system to verify expenditure within the account code to date and the remaining budget	Existing Procedures are adequate
					Any over expenditure is highlighted and brought to the attention of the RFO	Existing Procedures are adequate
					Each Committee receives a report on the use of its budget at each meeting	Existing Procedures are adequate
	Reporting	1	2	2	A full report of expenditure against budget is lodged with Council at each Resources Committee meeting	Existing Procedures are adequate
					This incorporates a print out of the income and expenditure against each annual budget and the cashbook extract	Existing Procedures are adequate
Any that do not meet the budget levels are highlighted to members if needed along with committed expenditure					Existing Procedures are adequate	
16. Insurable Risks	Employer's Liability	1	3	3	Insurance cover is in place	Existing Procedures are adequate
	Theft of money by third party	1	3	3	Insurance cover is in place	Existing Procedures are adequate
	Theft of money by employee or member	1	3	3	Fidelity Guarantee cover is in place	Existing Procedures are adequate
	Property	2	4	8	Cover for buildings & contents	Existing Procedures are adequate

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					All risks cover for selected items	Existing Procedures are adequate
	Officials Indemnity	1	3	3	Continue with existing cover (£250k)	Existing Procedures are adequate
	Libel and Slander	1	3	3	Continue existing cover (£250k)	Existing Procedures are adequate
	Personal Accident	3	4	12	Continue with existing cover (scale benefits)	Existing Procedures are adequate
	Legal disputes	2	3	6	Cover for specified legal disputes	Existing Procedures are adequate
	Long term sickness of employee	3	3	9	Not covered by insurance; managed within the overall staffing budget	Existing Procedures are adequate
					Liability limited by contract	Existing Procedures are adequate
	Business interruption	1	3	3	Potential alternative premises available at the Lace Hill Centre and Council Chamber	Existing Procedures are adequate
					All office staff have laptops and can access all files from home or other sites	
					Use of cloud-based system, which is also backed up off site.	Existing Procedures are adequate
					Ability to restore onto hired equipment	
					Cover in place for excess costs	Existing Procedures are adequate
	Loss/destruction of financial records	1	3	3	Key financial data held electronically and backed up off site	Existing Procedures are adequate
					All electronic documents backed up daily offsite	Existing Procedures are adequate
17. Loss of Records	Loss of documentation	1	3	3	Deeds and other legal documents relating to real estate stored in the office in a fire safe, historic stored at the depot	Existing Procedures are adequate
18. Asset List	Purchased	1	3	3	An asset list is maintained by the Town Council Office using the RBS asset package.	Existing Procedures are adequate
					This is updated throughout the year with new assets and removal of disposed assets. In addition, a schedule of road furniture/bins/dog bins/bus shelters play area equipment etc., is kept on a secondary list.	Existing Procedures are adequate

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	Maintained	1	3	3	The asset list is circulated to staff on an annual basis to ensure that all items are correct	Existing Procedures are adequate
					The Town Council has a scheme for maintenance of assets	Existing Procedures are adequate
19. Internal Audit	Internal Audit	1	3	3	The Internal Auditor and scope of audit is approved annually by Council and attends the office to complete the internal audit in May of each year. Additional visits can be arranged as required and at least one interim visit is arranged, during the autumn.	Existing Procedures are adequate
					The report is presented to Council for acceptance.	Existing Procedures are adequate
					The Council review the effectiveness of Internal Audit annually	Existing Procedures are adequate
20. External Audit	External Audit	1	3	3	The external auditor is appointed and directs the format and structure of the audit in line with current legislation and requirements	Existing Procedures are adequate
					Audit costs and levels of requirement are determined by government legislation based upon the annual income or expenditure levels	Existing Procedures are adequate
					The RFO completes the year end accounts to audit trial level and prepares any additional reports required by the external auditor	Existing Procedures are adequate
					The RFO presents the completed Annual Return, Financial Statement and other documentation required to Council in line with the timescales provided by the external auditor	Existing Procedures are adequate
					Once these have been formally adopted and signed by Council, they are lodged with external auditors	Existing Procedures are adequate
					Any queries raised by the auditors are dealt with by the RFO in the first instance	Existing Procedures are adequate
					Final sign-off by the external auditor is presented to Council	Existing Procedures are adequate
21. Insurance	Fidelity Insurance				Fidelity insurance levels have been set after taking into account the possibility of fraudulent activities gaining access to the bank accounts	Existing Procedures are adequate

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		1	3	3	Procedures in place (as previously detailed) have been established over the past few years incorporating separation of duties, and cross referenced receipts of income	Existing Procedures are adequate
					These provisions have ensured that no individual is able to gain access to withdraw funds without due process	Existing Procedures are adequate
	Insurance	1	3	3	Zurich has been used as a recognised Town Council provider	Existing Procedures are adequate
					BTC are currently tied into a deal until March 2023 with approval to renew for 12 months. Annual reviews are carried out to ensure sufficient cover is in place	Existing Procedures are adequate
22. Pension fund	Poor Management of Pension Fund	1	4	4	The Town Council is part of the Buckinghamshire Council Pension Fund. The Fund is part of the Local Government Pension Scheme (LGPS). This ensures that the risks associated with the Fund are managed centrally by a competent authority.	Existing Procedures are adequate
	Loss from Pension Fund	2	3	6	The Council receives an annual valuation report, including details of the valuation method, assumptions and results of the valuation. This enables the Council to review the financial position of the Fund and to set appropriate contribution rates for the next period.	Existing Procedures are adequate
23. Financial loss due to Covid 19 or other public health restrictions	Loss of income from the Lace Hill Sports and Community Centre	2	3	6		Existing Procedures are adequate
					If restrictions are repeated then it is likely the same situation would apply.	Existing Procedures are adequate
	Loss of Income from markets	1	3	3	Loss would occur if the markets were to close again, however this is unlikely, particularly as essential stalls were able to continue through most of the lockdowns.	Existing Procedures are adequate
	Unplanned budget deficit leading to a depletion of reserves below the minimum recommended	1	5	5	The Town Clerk will continue to monitor the likelihood of future restrictions. The first closures did not lead to a depletion of reserves.	Existing Procedures are adequate

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Buckingham Town Council - Risk Assessment Rating Scale

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5

Likelihood

Mar-23

END OF REPORT