

# **Winchcombe Town Council Financial and Non-Financial Risk Assessment**

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**This document was reviewed by the Finance Committee at a meeting held on 08/10/2024 and adopted by Full Council on 04/12/2024.  
Next review date: October 2025**

## Introduction

The Council is expected to carry out an annual risk assessment to identify and assess the financial risks to which it might be exposed and to identify actions it considers necessary to remove or minimise those risks.

## Definition of risk management




Risk is defined as the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which the risks are identified, evaluated, and controlled. It is a key element of the governance and accountability framework together with standards of conduct and service delivery arrangements.

This document has been prepared to enable the Town Council to assess the risks that it faces and satisfy itself that it has taken adequate measures to minimise them. The Council is aware that some risks can never be eliminated fully but it has in place a strategy that provides a structured approach to risk management.

This is not an exhaustive list.

The table below shows the risks that the Town Council has considered.

### KEY:

Subject	Risk(s) Identified	High	Med	Low	Management / control of Risk	Review/Assess/Revise
Identifies the subject	Identifies what the risk might be				Evaluates the management and control of the risk and records findings	Reviews assesses and revises procedures if required
		Level of risk dashboard Changes colour with each annual risk assessment				

Leanne Clements – Clerk Winchcombe Town Council

<b>Subject</b>	<b>Risk(s) Identified</b>	<b>High</b>	<b>Med</b>	<b>Low</b>	<b>Management / control of Risk</b>	<b>Review/Assess/Revise</b>
Councillors	Losing Councillor membership or having more than 7 vacancies at any one time				When a vacancy arises there is a legal procedure to follow. This will either lead to a by-election or into a co-option process. A by-election is outside the Town Council's control but may have a cost consequence to be shared with Tewkesbury Borough Council. The co-opting process begins with an advert, acceptance of applications, consideration of the candidates, and co-option voting at a Council meeting then the appointment. If there are more than 7 vacancies at any one time the Council becomes inquorate. The legal process of the Borough Council appointing Members takes place	Existing procedures adequate.
Business continuity	The Town Council not being able to continue its business due to an unexpected or tragic circumstance				All files and records are kept in the Council Office. Important and critical documents are kept in a fire-proof safe. The computers are automatically backed up to the "Cloud" on a daily basis. In the event of the Clerk becoming indisposed the Chairman will contact the Deputy Clerk for cover or Council Members will provide cover. Business Continuity Plan prepared.	Existing procedures adequate.
Meeting Location	Adequacy. Health and Safety				Council Meetings are held in Abbey Fields Community Centre. The Clerk holds a key. Keys also available from Community Centre Trustees in the event of the Clerk being indisposed. The premises and facilities are maintained by the Trustees and are considered adequate for the Clerk, Council Members, and any Public who attend from a Health and Safety perspective. If large numbers of the Public are anticipated to attend to comply with Fire Regulations, it may be necessary to seek alternative accommodation for that meeting.	Adequate risk control in place.
Council records	Loss through damage, fire, theft				Current paper records are held in lockable metal filing cabinets. Paper records considered of importance or critical are held in a fire-proof safe. Old records considered appropriate for archiving are offered to the County Archives.	Damage or theft is unlikely. Provisions considered adequate.

Subject	Risk(s) Identified	High	Med	Low	Management / control of Risk	Review/Assess/Revise
Council electronic records	Loss through damage, fire, theft, or corruption of computer records				The Town Council's electronic records are stored on two synchronised office computers. The computers are automatically backed up to the "Cloud" on a daily basis.	Adequate risk control in place.
Precept	Adequacy of the Precept. Request not submitted to or accepted by Tewkesbury Borough Council (TBC). Payment not received from TBC.				Sound budgeting by the Committees underlies the setting of the precept. Committees receive updates of expenditure from the Responsible Finance Officer (RFO). The Finance Committee takes an overview and makes a recommendation for the level of precept to full Council in December. Precept request is submitted to TBC before the deadline (normally January). Monies are received from TBC in two payments. The Clerk who is also the RFO informs Council when payment is received.	Adequate measures and procedures in place.  The Council has created a "General Reserve" to cover the eventuality if it thinks there may be an issue.
Insurance	Adequate cover, cost, compliance, fidelity guarantee.				A five-yearly review of assets and asset value is undertaken by the Council Finance Committee. An annual review is undertaken of all insurance arrangements. Employer's Liability, Public Liability, and Fidelity Guarantee are statutory requirements. Buildings and contents insurance are reviewed annually.	Adequate measures in place.
Banking	Inadequate checks, bank mistakes, Loss, Bank charges, loss of signatories				The Town Council Financial Regulations sets out the requirements for banking, cheques, and the reconciliation of the accounts. The bank does make the occasional error that is discovered when the Clerk reconciles the accounts every month. Banking is monitor through the cash book and monthly bank statements. Accounts are reviewed through biannual internal and annual external audits. Three signatories are required for cheque payments (RFO and two Council Members).	Existing measures adequate. Review Financial Regulations when necessary.  Financial Regulations under review March 2023.
Internet banking	Inadequate checks, bank mistakes, Loss,				The clerk will access internet banking sites directly and not via a search engine. The clerk will use a password and PIN. Any transactions to be carried out electronically are reported to the full Council.	Existing measures adequate. Review Financial Regulations when necessary.
Cash / loss	Loss through theft of dishonesty				The Council has no petty cash. Any cash transactions are made by the Clerk and are recorded. Cheques are banked as soon as possible. Transactions are reported to the full	Adequate measures and procedures in place.

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					Council monthly. Transactions are checked through a monthly internal audit.	
Financial controls and records	Inadequate checks				Financial Regulations in place. Monthly reconciliation prepared by Clerk. Monthly expenditure report to full Council at their monthly meeting. Three signatories (Clerk and two Members) are required on all cheques. Biannual internal audit. Annual audit. All payments are minuted and approved by the full Council. Budgets are prepared annually.	Adequate measures and procedures in place.
Direct costs overheads expenses and debts	Goods supplied but not billed. Incorrect invoicing. The cheque payment is incorrect. Loss of stock. Unpaid invoices.				The Council has adopted the Financial Regulations based upon a national model. At each full Council meeting, the list of invoices settled, waiting to be paid and income is scrutinised and approved by Members. Council approves the payments. The Council has minimal office stocks which are checked and monitored by the Clerk.	Existing procedures adequate
Winchcombe Park	Failure to make PWLB loan repayments.				The Town Council borrowed £500,000 over 25 years having passed the stringent controls and measures used by the PWLB to assess a Council's ability to secure and to repay the loan over the loan period. Loan repayments are made by Direct Debit biannually and reviewed annually.	Repayment to be reviewed annually.
Winchcombe Sports Hub	Failure to make PWLB loan repayments.				The Council borrowed £150,000 over 10 years having passed the PWLBs stringent controls and measures to assess a Council's ability to secure and repay the loan over the agreed period. Loan repayments are made biannually.	Repayment to be reviewed annually.
Play Parks (Winchcombe, Jubilee, The Finches, King George V)	Neighbours become upset and frustrated by the use of the field and with anti-social behaviour.  Ongoing maintenance and damage repair costs.				Graffiti and Anti-Social Behaviour are problematic. The Town Council has adopted a zero-tolerance policy. On Police advice CCTV has been installed and this may be used as evidence to secure a prosecution. Information regarding such problems can be disseminated via the Town Council website and media, via the Youth Council and communication with local organisations and institutions e.g. the Schools.  Damage and graffiti to be dealt with as it occurs.  Contractor performing regular inspections.	Clerk to start the procurement process for the ongoing maintenance of Winchcombe Park through the Playing Fields Committee.

					ROSPA safety inspections carried out annually.	
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Grants and support payable	Power to pay Authorisation of Council to pay				All such expenditure goes through the full Council for debate and authorisation/approval. Decisions are minuted and listed if a payment is made using the S137 power of expenditure	Existing procedures adequate
Grants receivable	Receipt of grants				The Town Council is not currently in receipt of any regular grants. Any grants awarded to the Town Council will come with Terms and Conditions.	Adequate procedures in place but needs to be reviewed if grants were to be awarded to the Council.
Charges and rents receivable	Receipt of charges leases and rentals.				The Town Council has entered into a rental agreement with Winchcombe Playgroup which has now been taken over by PATA (UK). The rental agreement was formerly with Gloucestershire County Council. Winchcombe Town Football Club currently holds a lease agreement with the Town Council for the rental of King George V Playing Field – rent £1 per annum. Both parties have signed a legal agreement. Payments are banked and reported accordingly. The PATA (UK) Playgroup and Football Club arrange their own insurances.	Adequate measures and procedures but certificates and copies of insurance policies need to be shown to Council.
Charges and rents payable	Payments of charges leases and rentals				The Town Council has entered into a lease agreement with Winchcombe School for the artificial grass pitch. There is no charge. The lease is let to a group of Trustees (Winchcombe Sports Hub) which includes Council Members. The Town Council is the Landlord of Abbey Fields Community Centre and has leased the management of the centre to Trustees. The council offices are located on-site for which the Town Council pays a rental charge.	Adequate measures and procedures.

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Best value accountability	Incorrect awarding of contracts and works Overspend on contract				Normal Council practice is governed by the Financial Regulations. Where applicable there is a competitive tendering process where at least three quotations for substantial work are sought. References are also requested. A Quantity Surveyor / Project Manager may be appointed on larger projects. The clerk, Council member lead, and the Project Manager will monitor works and if a problem is encountered will investigate and report to the full Council. Regular updates are given to full Council.	Adequate measures and procedures in place. Public Liability for regular contractors to be seen annually.
Procurement and tenders	Inadequate checks, personal contact inflation, or not fit for purpose selection				Financial Regulations in place to ensure all contracts are tendered. Councillors are required to give notice of a personal connection or if would be connected with business or business tender. Council voting would normally mean that no bid is delegated without oversight. Three signatories (Clerk and two Members) are required on all cheques. Quarterly internal audit. Annual audit. All payments are minuted and approved by the full Council. Budgets are prepared annually. Service level agreements and/or contracts monitors and defines delivery.	Adequate measures and procedures in place.
Cover for work undertaken by Contractors	Claim received for injury or damage allegedly caused by a contractor working on behalf of the Council.				All contractors must supply evidence of public liability insurance and Risk Assessments for work being undertaken and Safe Systems of work.	Review during the procurement process.
Salaries and associated costs	Salaries incorrectly calculated or paid. Wrong hours paid. Wrong rate of pay. Wrong deductions of National Insurance (NI), Tax or NEST pension				The Council only employs a part-time Clerk and Deputy Clerk. Employees are appointed through a panel of Members or a Committee. A Human Resources (HR) Committee has been created. Salary rates are assessed annually by the Finance Committee a recommendation made to the full council and normally implemented on 1 <sup>st</sup> April each	Annual review of HR Policies as required by individual policy.  Adequate measures and procedures in place.

	Unpaid NI or Tax contributions to the HM Revenue and Customs (HMRC) or NEST pension				year. Staff are given a contract of employment and a job description. HR policies in place and annually reviewed. Salary, tax, NI and NEST pension calculations have been outsourced to PATA. A hardcopy payslip is issued monthly and payments are made by and reported to the full Council monthly. PATA use a secure Electronic Staff Record (ESR) accessible to members of staff. Salaries are paid monthly in arrears.	Payroll management is outsourced to a payroll specialist.
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Employees	Loss of key personnel, Fraud by staff, Actions undertaken by staff, Health and Safety				Reference should be made to the Town Council Business Continuity Plan in case of loss of key personnel. The requirements of the Fidelity Guarantee Insurance are adhered to with regard to fraud. The Clerk should be provided with training, reference books, and access to assistance and legal advice should it be required to undertake the role. Where appropriate and if necessary Members are also expected to undertake training to assist the Clerk. The Clerk or caretakers of the Clerk's role should be provided adequate direction from the Council. Appropriate safety equipment needed to undertake the roles must be provided e.g. protective clothing and training. HR policies in place and annually reviewed. Staff appraisal is undertaken annually.	Adequate measures and procedures in place.
Councillor's allowance	Councillors overpaid				Allowances paid only for Council business outside of the Parish. Mileage rate based upon national guidelines. Receipts are required as proof of expenses. Payment approved by full Council and payment signed for by an individual. The recipient of payment should declare an interest and not vote. TBC Independent Remuneration Panel.	Adequate measures and procedures in place.
Election costs	Risk of election costs following a call for a by-election due to the creation of a casual vacancy(s). Estimated to be at least £7,000 by Tewkesbury Borough Council.				Recovery of costs of a by-election by Tewkesbury Borough Council is probable should a by-election be called following the creation of a casual vacancy. When a scheduled election is due the Clerk will contact Tewkesbury Borough Council to ascertain the estimated cost of a full or uncontested election. Few measures can be introduced to eliminate or minimise the risk of having elections as this is the democratic rights and process. The	Existing measures are inadequate especially in the case of a by-election. Look to include in General Reserve

	The average age of Council members.				Council looks to contain the cost within Earmarked Reserves or Emergency Reserves. The risk associated with the age of some of the Members.	
VAT	Charging and Re-claiming				The Financial Regulations set out the requirements. VAT re-claimed quarterly.	Existing procedures adequate.
Employer's Annual Return	Paying and accounting for NI and Tax of employees' salaries is time sensitive				Employer's Annual Return to HMRC is submitted by PATA within the prescribed timeframe by the Clerk.	Existing measures and procedures adequate.
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Internal Audit	Completion and reported within schedule and time limits				The Internal Auditor is appointed by the full Council. The Internal Auditor is supplied with the relevant documents needed to complete the internal audit. Interim reports and an Annual Report are presented to Council and matters raised are reviewed.	Existing procedures adequate.
Annual Return	Completion and submission within time limits				Annual return is completed and signed by full Council, submitted to the Internal Auditor for completion and signing, checked then submitted to the appointed External Auditor within the time limits.	Existing procedures adequate.
Legal Powers	Illegal activity or payments				All activity and payments are within the powers of the Town Council and are resolved and minuted at full Council meetings. Financial Regulations set out requirements.	Existing procedures adequate.
Minutes, Agendas, Notices Statutory notices	Accuracy and legality Business Conduct				Meetings and Agendas are produced in the prescribed method and timeframe by the Clerk and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following full Council Meeting. Town Council Standing Orders. Town Council Information Publication Scheme. Minutes and Agendas are displayed in accordance with the legal requirements. Business conducted at Council meetings is managed by the Chair.	Existing procedures adequate. Members should adhere to the code of conduct.

					Guidance and training is available to the Chair. Members are legally required to complete Declarations of Interest.	
Members Interests	Conflict of Interest. Members declaration of Interest				Declaration of interest is a standing agenda item. Declaration of Interest forms are held and published by Tewkesbury Borough Council. Declarations to be reviewed annually.	Existing measures adequate. Members have responsibility for updating the Register.
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Data protection	Provision				The Council has registered with the Information Commissioners Office (ICO) and has made provision in accordance with GDPR 2018. Ensure annual review of registration. <a href="https://ico.org.uk/registration/new">https://ico.org.uk/registration/new</a>	Ensure annual registration is maintained. Existing measures adequate.
Freedom of Information Act (FOI act)	Provision				The Council has in place an Information Publication Scheme adopted in 2008. The Clerk is aware that if a substantial request arrives then this could result in many hours of extra work. The Council can request a fee as declared in the Publication Scheme.	Monitor and report impacts of any requests made under the FOI act. As well as Data Protection Next review of Information Publication Scheme due every 4 years. Due date 2023
Assets	Loss or damage, Risk to a third party(s) or property(s)				An annual review is undertaken for insurance provision and maintenance provision. Asset register kept up to date. Maps and spreadsheet of all assets to be created.	Existing measures adequate.  Asset Register review in progress March 2023.
Maintenance	Poor performance or failure of assets or amenities, Loss of income. Risk to a third party(s) or property(s)				All assets owned by the Town Council are regularly reviewed and maintained. A five-yearly inspection is carried out by a Qualified Surveyor which includes a valuation. Wherever possible Trustees enter into an "all-repairing lease" agreement. All repairs and relevant expenses are authorised by full Council in accordance with Council procedure. Playpark equipment is inspected weekly.	Ensure inspections are carried out.  Maps and spreadsheet of all assets to be created.  Five-yearly evaluation by Surveyor to be instructed upon completion of Asset Register review.

					The playing field, closed graveyard, and cemetery are regularly inspected by Council Members.	
Notice boards	Risk of damage, Risk to third parties, Roadside safety.				The Town Council has three notice boards around the Parish. All locations have been approved by the relevant authorities and parties. The notice boards are covered by insurance and are regularly visited and inspected by the Clerk. Any repairs or maintenance issues will be brought to the attention of the full Council. The Clerk holds the keys.	Existing measures adequate
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Street furniture	Risk of damage, Risk to third parties.				The Town Council is responsible for seating, rubbish bins, dog fouling bins, and road salt bins around the Parish. All are covered by insurance. There is no formalised program of inspection but reports of damage or faults are followed up and reported to full Council and/or dealt with within the Financial Regulations.	Existing measures adequate
Chairman's Allowance	Amount spend No guidance				Maximum allowance allowed £200. Expenses reported to Council.	Existing measures adequate
Complaints	Financial consequences Procedure not followed				The Town Council has a complaints procedure for both the Public and employees. HR Committee to review procedure and appeals process for staff.	Existing measures adequate.