



## Brixham Town Council Financial Risk Management Register

The Council is expected to carry out an annual assessment of the financial risks it is exposed to and identify any actions it considers necessary to minimise those risks.

The following table attempts to identify the risks involved and recommends the necessary actions. The list is not exhaustive, and the Council may wish to consider other risks not identified.

Risk	Impact	H / M / L	Control Action / Internal Controls	Review / Assess / Revise
<b>Finance</b>				
Precept Determination	Adequacy of precept. Requirements not submitted to Torbay Council in time. Amount not received by Torbay Council. Fit for purpose.	L L L	Regular budget review by the Council. Precept should be considered by Council before the deadline as set out in the Financial Regulations. The Clerk to report to the Council when monies not received. Councillors receive monthly Expenditure Against Budget Reports to show how the accounts are performing against the budget.	Review as part of the Financial Regulations
Financial Records	Inadequate records. Financial irregularities	L L	The Council has adopted the Financial Regulations which set out the requirements. Monthly reconciliations are carried out.	Review the Financial Regulations annually

Risk	Impact	H / M / L	Control Action / Internal Controls	Review / Assess / Revise
<b>Finance (continued)</b>				
Bank and Banking	Inadequate checks Bank mistakes Loss Charges Loss of Signatories	L L L L L	<p>The Council has adopted the Financial Regulations which set out the requirements for all methods of banking, cheques and reconciliation of accounts.</p> <p>The Clerk reconciles the bank accounts and any problems / irregularities are dealt with immediately by informing the bank and awaiting their correction.</p> <p>All members of the Finance and General Purposes Committee are signatories, plus the Clerk. Two members plus the Clerk have to sign cheques, excluding designated two bank reconciliation checkers.</p>	Existing procedure adequate
Cash / Loss	Loss through theft or dishonest	L	<p>The Council has adopted the Financial Regulations which set out the requirements.</p> <p>Cash / cheques received are banked as soon as practicably possible.</p> <p>The petty cash tin is locked and the tin is placed in a locked cupboard. Keys are kept in a locked safe.</p>	Existing procedure adequate
Annual Return	Completion and submitted in time limits	L	Annual Return is completed and submitted to the internal auditor for checking and completion. Approved by Council and signed before sending to the External Auditor in time limits.	Existing procedure adequate
Reporting and auditing	Information Communicated  Auditing and Governance	L  M	<p>Budget Against Expenditure report produced and examined by the Finance and General Purposes Committee monthly</p> <p>Council undertakes internal and external independent audits</p> <p>The performance of the auditor will be reviewed by the Council.</p>	<p>Existing procedure adequate.</p> <p>Council appoints an independent Auditor annually.</p>
Grants and support	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval, minuted and listed. Grant application form has been devised to keep up to date records of applications.	Existing procedure adequate.

Risk	Impact	H / M / L	Control Action / Internal Controls	Review / Assess / Revise
<b>Finance (continued)</b>				
Salaries	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L L L L	The Town Council authorises the appointment of all employees through the Evaluation Committee / Council meetings. Salary rates are assessed in the Evaluation Committee. The Council has an SLA with Torbay Council who run the payroll services. Torbay Council deduct the Council bank account two times per month which covers the monthly payroll, details of which are shown in Annex one of the Finance and General Purposes Committee. All staff have a contract of employment and job description. Salaries are paid direct into their bank accounts on the last working day of the month. All new staff must provide a copy of their Passports and proof of residence.	Existing appointment system adequate.
Expenses	Fraud or incorrect claim	L	Expenses must be approved at the Finance and General Purposes Committee. Mileage claims paid on completion of claim form and receipts provided, where applicable. Mileage claim rates match those recommended by HMR&C.	Existing appointment system adequate.
Councillor allowances	Councillors over-paid Income tax deduction	L	The Council has an SLA with Torbay Council who run the payroll services. Torbay Council deduct from the Council bank account two times per month which covers the monthly membership allowance, details of which are shown in Annex one of the Finance and General Purposes Committee. All members can apply for Members Allowance which is paid direct into their bank accounts on the last working day of the month.	Existing appointment system adequate.
VAT	Re-claiming/charging	L	The Council has Financial Regulations which set out the requirements. VAT is claimed regularly.	Existing procedure adequate

Risk	Impact	H / M / L	Control Action / Internal Controls	Review / Assess / Revise
<b>Finance (continued)</b>				
Election costs	Risk of an election cost	H	Risk is higher in an election year. When a scheduled election is due the Clerk will obtain an estimate of costs from the Local Council. There are no measures which can be adopted to minimise the risk of having elections, as this is a democratic process.	Council has allocated earmarked reserves for Election costs
<b>General Management</b>				
Business	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	L	IT software / equipment installed to ensure that council office can continue to operate from any location subject to internet connection. Back up of files will be kept online in a secure location.	Review annually
Litigation	Potential risk of legal action being taken against the Council	M	Public liability insurance covers general person injury claims where the Council is found to be at fault, but not spurious or frivolous claims – these cannot be insured against	Ensure insurance is adequate for requirements. Review annually.
Best value Accountability	Work awarded  Overspend on services	L  M	Normal Town Council practice would be to seek more than one quotation for any substantial work required to be undertaken or goods. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council. This is covered in the Financial Regulations.	Existing procedure adequate. Include when reviewing Financial Regulations Annually.
Employees	Loss of Key staff or long term illness, resignation or misconduct.	L	Clerk and Deputy Clerk are considered critical staff member. Locums can be contacted for temporary replacements for sickness from DALC. Vacancy roles filled using the recruitment policy.	Existing appointment system adequate. Membership of the SLCC.

Risk	Impact	H / M / L	Control Action / Internal Controls	Review / Assess / Revise
<b>General Management (Continued)</b>				
	<p>Actions undertaken by the Council.</p> <p>Health and Safety</p>	<p>L</p> <p>L</p>	<p>All officers should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.</p> <p>Health &amp; Safety issues relating to officers are with regard to all work related matters. A stress policy has also been adopted.</p>	<p>Monitor working conditions, safety requirements and insurance regularly.</p>
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Town Council to be resolved and minuted at Full Council Meetings, including a reference to the power used, as per the Financial Regulations prescribe.	Existing procedure adequate.
Minutes/ Agendas/ Notices Statutory documents	Accuracy and legality Business conduct	L L	<p>Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements and best practice guidelines.</p> <p>Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to the legal requirements.</p> <p>Business conducted at Council meetings should be managed by the Chairperson.</p>	<p>Existing procedure adequate.</p> <p>Guidance/training to Chairperson should be given (if required).</p> <p>Members to adhere to Code of Conduct</p>
Members interests	Conflict of interest Register of Members interests	L M	<p>Standing Orders require declaration of interests at each Council meeting by members.</p> <p>Register of Members Interest forms should be reviewed regularly by Councillors.</p>	<p>Existing procedure adequate.</p> <p>Members take responsibility to update their Register</p>

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<b>General Management (Continued)</b>				
Insurance	Adequacy Cost Compliance  Officers and Members	L L L  L	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place.  Officer's and Members own car insurance must cover travel to and from a place of work / meetings.	Existing procedure adequate. Review insurance provision annually.
Assets	Loss or Damage Risk/damage to third party(ies)/property	L L	An annual review of assets is undertaken for insurance provision, storage and maintenance provisions.	Asset register to be updated Annually
Maintenance	Poor performance of assets or amenities Risk to third parties	L L	All assets owned by the Town Council are regularly reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned/authorised in accordance with the correct procedures of the Town Council. All assets are insured and reviewed annually.	Existing procedure adequate.
Meeting location	Adequacy Health & Safety	L M	The Town Council Meetings are held at Brixham Town Hall. The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health & Safety, Disability Discrimination and comfort aspects	Existing location adequate.
Council records - electronic	Loss through: Theft, fire, damage corruption of computer	L M	Council's electronic records are stored on the cloud with suitable security software.	This is currently under review.
Data Protection	Data protection rules followed	L	Clerk registered for data protection.	Policy reviewed annually.
Freedom of Information	Policy available	L	FoI policy available in the public domain.	Policy reviewed annually.

Risk	Impact	H / M / L	Control Action / Internal Controls	Review / Assess / Revise
<b>General Management (Continued)</b>				
Asset Management	Premises or other assets being closed or unavailable for use by the Council or community due to poor or dangerous condition	L	An asset register produced and reserves in place such that assets can be replaced at the end of their natural life.	Asset management inventory and plan
Poor Reputation of the Council	The work of the Council is not understood leading to negative feedback from parishioners and dissatisfaction with the way services are carried out.	L	Regular use of communication channels including Brixham Signal, press, website, social and other media to explain Council's activities. The Council has a Code of Conduct policy which sets out how members should conduct themselves when acting on behalf of the Council. The Council has a staff handbook which sets out how they should conduct themselves when acting on behalf of the Council.	Press and Media Policy, Social Media Policy and Use of Email, Internet, Telephone and social media policy adopted, Community Engagement Strategy and Complaints Policy.
Poor Stakeholder relationships	Perceived or real breakdown in communications between tiers of local government or between the Town Council and other public providers	L	Town Council to understand the services provided by others and to discuss areas of joint interest periodically. The Town Council to respond to consultations to put its point of view across adequately.	
Lack of vision	An over emphasis on the management and operation of Council services may lead to a poor performance with regard to forward planning which may prevent partnerships being formed with other public and private supplier or even the loss of grants	M	The Town Council has a four year strategy document which sets out the plans for the Council.  The Town Council will proactively support the Neighbourhood Plan once it has been adopted.	Review Regularly

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<b>General Management (Continued)</b>				
Lack of Training or time to undertake the role of Town Clerk	<p>Inadequate knowledge or specialist ability may lead to poor decisions.</p> <p>Inadequate staff levels to carry out the role of Town Clerk effectively.</p>	L  L	<p>Adequate training budget available. Encourage training for Councillors and staff in accordance with the Statement of Intent.</p> <p>The Evaluation Committee to monitor staff and work levels.</p>	<p>Maintain a training record and review annually.</p> <p>Regular reviews on agenda.</p>
Lack of time to undertake role of Town Councillor	Inadequate number of Councillors to carry out their duties effectively.	L	The Evaluation Committee to monitor Councillor performance. Councillors are expected to manage their diaries and prioritise Council meetings over working group and outside body meetings.	Regular reviews on agenda.
<b>General Management</b>				
Allotments	<p>Rental received from the allotments.</p> <p>Allotment inspections.</p>	L	<p>Rents set annually by Council. Allotments invoices under the Clerks supervision. Collections due each October. Bad debts chased.</p> <p>Allotment inspections made regularly during seasonal months and reduced in winter months to ensure that allotment holders are following terms of agreement. During inspection Council to ensure that there are no risks to the safety of allotment holders.</p>	<p>Existing procedures checked regularly.</p> <p>Regular allotment inspections.</p>
Noticeboards	<p>Risk of Damage or injury to third parties.</p> <p>Location suitability.</p>	L	Noticeboards located at the Town Hall, New Road; Scala Hall, Middle Street; Spar Shop, St. Mary's Square and Pillar Avenue. All inspected regularly.	Adequate inspections undertaken.

**Adopted May 2017**

**Reviewed May 2018, May 2019, June 2020**