Ripon City Council

RISK ASSESSMENT STRATEGY

Adopted by the Council at the meeting on

Full Council	*11th February 2019*
Reviewed	*9th March 2020*
Reviewed	*20th July 2020*
Reviewed	*8th February 2021*
Reviewed	*7th March 2022*
Reviewed	*1st June 2022*

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

Introduction

This document has been produced to enable Ripon City Council to assess the risks it faces and satisfy itself that it has taken adequate steps to minimise them.

The Council is aware that although risks cannot be eliminated fully, it has in place a strategy that provides a structured, systematic and focused approach to managing risk.

Risk is something that will affect the ability of the Council to achieve its objectives and meet its duties. Risk management is the process by which these risks are identified, evaluated and controlled.

This document will be reviewed at least annually.

Scope of Assessment

This assessment covers the core activities and business of the Council.

Specific assessments will be carried out to cover the following activities:

- Activities undertaken in role as Sole Corporate Trustee of the Alderman TF Spence Charity (includes the management and maintenance of the Quarry Moor Local Nature Reserve.)

- Community activities and events undertaken by the Council.

- The management of Hugh Ripley Hall.

- One off civic events which take place outside of the Town Hall (e.g. Mayor's Installation, Remembrance Day).

Assessment

FINANCIAL MANAGEMENT			
Risk(s) Identified	**Risk Factor**	**Management / Control Method**	**Actions**
Loss of funds through theft or dishonesty.	L	• The Council has adopted a set of regulations to govern its financial management. • Payments, including online payments are either authorised by two authorised signatories other than where specifically identified. Payments made by officers are made with two officers present. • Council's insurance policy includes a fidelity guarantee (£500,000 in the 2020/21 policy). • The Council's audit plan and system of internal controls sets out procedures for Councillors and Internal Auditor to check the financial position of the Council. • The Responsible Financial Officer (RFO) uses security software recommended by the Council's bank (Trusteer Endpoint Protection). • All income is paid in to the bank within 7 days. • Bank reconciliation to be completed within ten days of month end by a member who is not a signatory at the bank.	• Review and update financial regulations (reviewed 1st June 2022) • Review audit plan and internal controls at least annually. • Payments in cash should not be accepted. • Ensure that there are a minimum of four authorised signatories in total to avoid conflict of interest. • Officers authorised to make payments with the Chair of Staffing undertaking the bank reconciliation within ten days of month end.
Financial Planning • Precept not submitted / not paid. • Inadequate or mis-managed budgets. • Insufficient funds to meet liabilities.	L	• Full Council is responsible for overseeing all financial affairs. Remit includes review of annual accounts, budget preparation and financial monitoring throughout the year. • The annual budget is set ensuring sufficient precept to allow the Council to achieve its objectives. • The Council adopted a policy of maintaining its balances in line with best practice, recommended by the Internal Auditor in his report dated August 2016 (equivalent of 6 months running costs or greater). • Financial statements, which include a budget comparison and are presented for the Council's approval at least four times a year. The RFO monitors the Council's performance against the budget each month.	• Existing procedures adequate. • The 2022-23 budget was approved at the Full Council meeting held on 10th January 2022. • Ear marked reserves created to allow for planned expenditure in future years

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

		• A written precept request is submitted to Harrogate Borough Council prior to their advertised deadline or an extension to the deadline agreed.	
Financial Records • Accounts and bookkeeping incorrect. • Invoices received not processed or cheque payments wrongly processed. • Non-compliance with best practice and legal requirements.	L	• The Council's financial records (including accounts and budgeting processes) are checked a minimum of twice per year by its internal auditor who is appointed at the start of each accounting period. • Copies of the Council's financial records are displayed on its website: www.riponcity.gov.uk • All invoices are checked by the RFO for accuracy. • Payments are authorised by Full Council where required and/or authority to arrange payment delegated to the RFO by virtue of Financial Regulations. • The Council compiles an audit plan and reviews its internal controls each year and works in accordance with this document throughout the year.	
Bank and Banking • Adequacy of the Council's accounts/bank. • Availability of funds to cover payments.	L	• Cheque stubs and invoices are signed by two Councillors where cheques are used. • The Chief Officer is appointed as the Service Administrator and Payment Authoriser for Internet Banking on the Unity Trust Bank account.. • The Chief Officer is authorised to make payments singularly from the HSBC bank account with the Finance Officer in attendance. • The Council holds a minimum of 6 months running costs in its current account to cover payments which are to be made.	• Reserve levels reported to Full Council at least four times during each financial year. • The HSBC bank account balance to be limited to not exceeding £100,000 to allow for a degree of control.
Best value accountability. • Work awarded incorrectly. • Overspend on services. • Cost of services excessive.	M	• Financial regulations set out the Council's procedures for orders, contracts and procurement. • Council now working in accordance with the Local Government Transparency Code 2015.	
VAT claims not made / made incorrectly.	L	• VAT claim submitted quarterly. • Claims are generated by the RBS Omega software used by the Council.	Making Tax Digital enabled 7th March 2022.

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

		• A diary / reminder system is in operation to ensure VAT re-payment is received. • The balance analysis report, submitted to Council twice a year, includes the figures of outstanding VAT which is to be reclaimed. • VAT claims are examined by the Internal Auditor.	

EMPLOYMENT ISSUES

Risk(s) Identified	Risk Factor	Management / Control Method	Actions
Legal issues surrounding Parish Council as an employer.	L	• The Council has adopted policies for grievance and disciplinary proceedings. • The Council has appointed a staffing committee to oversee its responsibilities as an employer. • The Council is a member of various regional and national bodies that provide advice on employment issues. • The Chief Officer has undertaken a CIPD qualification and undertakes regular training/continuous professional development on human resource matters.	• Ensure that all members of staff have contracts of employment. • Review all staffing policies to ensure that they are up to date and implement new ones as required. • Once policies are updated a schedule of review dates to be approved by Full Council.
Disruption to business continuity through absence or loss of Chief Officer.	M	• The Council is a member of YLCA which offers assistance with the production of appropriate documentation for advertising vacancies and appointing a new Chief Officer. • Staffing Committee would work to appoint a replacement as soon as possible. • Data is stored electronically. Documents relating to the general activities of the Council are on a shared drive and can be accessed by other members of staff.	• The council recognises the rewards in investing in training and has a training budget for existing or new staff and Councillors. • List of passwords held by Chief Officer to be kept in the Staffing Safe for use in an emergency situation. • Chief Officer has sole access to a drive holding sensitive, mainly staffing information. Password for the Chief Officer's login to be placed in an envelope in the Staffing Safe in the Strongroom.
Salary payments incorrect or not made.	L	• Salaried employees are paid a fixed amount each month. • Non-salaried employees submit a time sheet in accordance with the requirements under employment contracts which are	• Ensure that arrangements are made to maintain staff payment continuity.

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

		checked by the Finance Officer prior to submission for processing.	• All councillors shall be informed of the Audit outcome.
		• The Council has outsourced its payroll requirements to a firm of local accountants who generate payslips and make electronic, RTI submissions to HMRC.	
		• The Council receives an employer's report detailing each payment to be made.	
		• The RFO and/or authorised signatories check payments prior to them being made.	
		• The Internal Auditor conducts a full check of expenses payments at the end of each financial year.	
		• The Staffing Committee approves annually the rate at which employees are to be paid, based upon The National Agreement for Calculation of Sector Salaries.	
PAYE / NIC payments not made to HMRC.	L	• The Council receives an employer's report from the payroll company detailing each payment to be made.	
		• Subject to the revised internet banking arrangements RFO makes an electronic payment to HMRC at the same time as salary payments.	

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

COUNCIL'S MANAGEMENT AND GENERAL PROCEDURES			
Risk(s) Identified	**Risk Factor**	**Management / Control Method**	**Actions**
Insurance • Adequacy • Cost • Compliance	L	• A review of insurance cover is carried out annually to ensure relevant liabilities are insured. • The cost of the Council's insurance policy is included in its annual budget. • The Asset register is maintained annually, checked during Internal Audit and approved at least every two years by the Council. • Employer's liability insurance is a statutory requirement. • The Council uses an appropriate insurance provider, who specialises in providing cover to Local Councils.	Outstanding review and re-valuation of Asset Register outsourced to RBS Rialtas, Chief Officer to liaise with Internal Auditor and Rialtas to ensure amendments are in line with legislative requirements. Chief Officer to draft Valuation and Assets policy on completion of this work.
Documents & Policies • Ensuring that the Council's policies and standard documents are up to date and meet best practice guidelines.	L	• The Council responds to issues raised through Internal Audit. • The Council is a member of YLCA and uses their templates as a basis for its documents. • The Chief Officer ensures that relevant policies are drafted and put to Council for adoption. • The Chief Officer advises the Council as to whether proposed actions are within adopted policies. • Documents are displayed on the Council's website.	• Review of documents ongoing. • Instigate a policy of reviewing and re-approving all standard documents and policies within a two year period. • Ensure all documents are displayed on the Council's website.
Record Keeping • Loss through theft, fire, damage or electronic corruption. • Loss of access to Council's records.	L	• All records are stored on Microsoft Sharepoint. • An IT specialist has been engaged to monitor IT and ensure that remote updates are installed and anti-virus software is up to date. This specialist undertakes physical 'health checks' once per annum with reliance on automatic updates throughout the year. • The Council makes use of North Yorkshire County Council's archive facility which was updated in 2011.	
Minutes • Destroyed or lost. • Mismanagement by Chief Officer.	L	• Old sets of minutes are archived by North Yorkshire County Council's specialist unit. • Signed copies are kept securely within the Council's office. • Electronic copies are stored on the Council's website on Microsoft Sharepoint.	Requirement to test IT backup a suggestion of Internal Auditor at final audit. Quarterly testing to be agreed with IT provision.

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

		• Minutes are numbered and dated. • Minutes are approved by the Council at the following meeting, signed by the chair of that meeting who also initials each page. • Requirement of testing of backup system by IT Company	
Meetings mismanagement. • Potential for illegal activity or payments.	L	• Chief Officer is a Fellow of the Society of Local Council Chief Officers and receives ongoing training through continuous professional development. • The Mayor and Councillors are advised of, and encouraged to take advantage of training opportunities provided by YLCA and other institutions. • The Council is kept updated of new procedural legislation by the Chief Officer. • The Council has adopted a set of Standing Orders. • Council has access to support and information via YLCA. • Ensuring that all activity and payments within the powers of the Council are resolved and minuted at appropriate meetings. • Complaints are dealt with in accordance with the Council's adopted policy. • It is only the Chief Officer who has emergency powers to take decisions or incur expenditure between meetings of the Council.	• Council's Standing Orders are based on the NALC model version and are regularly reviewed.
Meeting Location • Satisfactory health and safety of meetings. • Availability of venue.	L	• Council meetings are held in Ripon Town Hall and or remotely by teams, with the Chief Officer taking decisions under the delegation provided. • The premises and facilities are kept in good order by Harrogate Borough Council and are considered more than adequate for this purpose from a Health & Safety and comfort perspective. • Annual timetables for meetings are agreed and published at start of each civic year. The schedule is confirmed with Harrogate Borough Council's Conyngham Hall department.	• Existing location adequate except for Annual Parish Meeting and large Planning Meetings as Council Chamber capacity is restricted to 60 people max (including Councillors & Officers). • Lighting and decoration in the Chief Officer's office needs updating subject to new occupation agreements being signed with Harrogate Borough Council.

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

			• Lighting in the office is inadequate and unlikely to meet current regulations.
Data Protection • Potential non-compliance with Data Protection Legislation	L	• Staff use 'bcc' facility when sending e-mails. • The Council considers sensitive or confidential issues 'in camera' where legislation allows.	• Provide adequate training for all members of staff to ensure awareness of best practice.
Information Publication • Not responding to requests for information in a timely manner, or failing to meet the requirements of the Freedom of Information Act. • Failure to meet the requirements of the Transparency Code for Smaller Authorities.	L	• Information (e.g. re. audit) is published in accordance with statutory guidance. • The Chief Officer undertakes to post relevant information on the Council's website in a timely manner. • Requests made under the Freedom of Information Act are logged and responded to in a timely manner.	• Review and adoption of the Council's Model Publication Scheme.
Website • Disruption to site. • Lack of information on site.	L	• Chief Officer keeps copies of all information posted on site. • The Chief Officer undertakes to post relevant information on the Council's website in a timely manner.	• Council has a facebook account which is updated daily where workload allows. • Council website complies with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018
Members' Interests • Complaints about decisions because of members' interests. • Sanctions against members who fail to declare, or incorrectly declare interests. • Conflicts of interest.	L	• Members complete a register of interests and are encouraged to ensure that this remains up to date. • Registers are displayed on the Council's website. • Each meeting contains an item re. 'Declarations of Interest and Requests for Dispensations" and the Chair asks all members present to declare an interest if appropriate. • If an interest is declared this is recorded in the minutes of the relevant meeting. • Advice on this subject is available from Harrogate Borough Council's Monitoring Officer.	• Members to take responsibility for updating their register. • Regular reminder to be included on the agenda of the first meeting after the Annual Meeting of the Council.

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION

ASSETS			
Risk(s) Identified	**Risk Factor**	**Management / Control Method**	**Actions**
Loss or damage to assets.	L	• An asset register is maintained and insurance is held at the appropriate level for all items. • The Council adheres to specific requirements placed upon it by the terms of its insurance policy. • Reports received from members of the public are acted upon in a timely fashion. • A periodic valuation is undertaken to ensure that assets are registered and insured at the correct value.	• Register subject to annual review. • Further work to complete the register and ensure its accuracy to be carried out during the 2022/23 financial year. • Thereafter the register to be reviewed and approved at least two yearly at the first Full Council meeting after the Annual Meeting of the Council. • Last valuation carried out by Tennants in 2015.
Civic Regalia – loss or damage.	M	• Regalia kept in secure storage at Town Hall when not in use. • Insurance is held at an appropriate level for all items. • Deputy Mayor keeps own chains securely at home. • Key holders for the strongroom and Mayor's Parlour are limited.	• Consider arrangements for the maintenance of regalia. • Confirm arrangements for secure storage of Deputy Mayor's chains. • Review arrangements for lone staff member returning to Town Hall at night. • Clarify current insurance cover for regalia when off site (with and without officers present) and ensure adequate cover with potential new insurance provider.

Risk Assessment Strategy Reviewed 010622

LOCAL COUNCIL
AWARD SCHEME
FOUNDATION