



Kidderminster Town Council

Risk Management Policy and Schedule

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Risk Management Policy Overview

1. Purpose

The purpose of this report is to seek the Committee's agreement to confirming the risk management system for the Town Council which was last reviewed on 7th July 2021.

2. Background

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Town Council to identify any and all potential inherent risks. The Town Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible. This document has been produced to enable Kidderminster Town Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.

3. The Policy

Attached to this schedule are: -

- i. the policy overview which helps categorise risks and
- ii. the framework which gives details of actions and reporting procedures

The management of risk is also included in each report presented to Council/Committees to assist Councillors in their decision making

4. Current Corporate Risk Schedule

Detailed below are the current identified risks for the Town Council. Its purpose is designed to give Councillors confidence the risk management process is being actively managed.

	Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
1.	Precept	Adequacy of precept in order for the Council to carry out its Statutory duties	L (3)	To determine the precept amount required, the Council regularly receives budget update information at every meeting. At the precept meeting Council receives a budget report, including actual position and projected position to the end of year and indicative figures or costings from the RFO/CEO. With this information the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from WFDC. The figure is submitted by the CEO in writing.	Existing procedure adequate.
2.	Financial Records	Inadequate records Fin irregularities	L (2)	The Council has Financial Regulations in place which sets out the requirements.	Review the Financial regulations annually.
3.	Bank and banking	Inadequate checks Banks mistakes	L (2)	The Council has Financial Regulations which set out banking requirements. Monthly reconciliation.	Existing procedure adequate.
4.	Reporting and auditing	Information communication	L (2)	Financial information is reported to Town Council and committee meetings.	Existing procedure adequate
5	Budget	Unexpected significant expenditure	L (4)	Town Council to maintain sufficient general reserve balances - 3 to 9 months precept (£220K to £660K). Consider enhancing significantly during Town Hall Transformation project. Balances to be reviewed as part of the annual budget process.	Existing procedure adequate
6	Grant Funding	Loss of Grant Funding (Levelling Up Funding) Town Hall Transformation Project. Failure to complete project on time and comply with other grant obligations embedded within MOU.	M (7)	Town Council have appointed a Project Management Team to provide expertise.	Town Council to review risk thoroughly before entering in to contract and create/ ensure sufficient contingency fund
7	Out of (Levelling Up Funding) scope works associated with the Town Hall Transformation project	The Town Hall Transformation project requires building works to the front/on the highway that are not currently budgeted for or had sign off	M (8)	Create significant contingency funds through cost savings in other areas, apply for grant funding and/or raise precept.	Town Council to review risk prior to entering into contract for (in scope works).

	Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
8	Minutes/Agendas/ Statutory documents	Accuracy and legality	L (1)	Minutes and agendas are produced in the prescribed method and adhere to legal requirements Minutes are approved and signed at next meeting Minutes and agendas are displayed according to legal requirements.	Members and staff to undertake adequate training.
9	Minutes/Agendas/ Statutory documents	Non-compliance with statutory requirements	L (1)	Business conducted at Council meetings should be managed by the Chairman. Members to adhere to code of conduct and encouraged to undertake sector specific training	Existing procedures adequate.
10	Freedom of Information Act	Policy Provision	L (1)	The Council has a model publication scheme for Local Councils in place. The CEO is aware that if a substantial request arrives then this may require many hours of additional work. The Council is able to request a fee if the work will take over 15 hours. However, the request can be resubmitted, broken down into sections, thus negating the payment of a fee.	Existing procedures adequate.
11	Public Liability	Risk to third party, property or individuals.	L (2)	Insurance in place. Staff trained in wide range of safety issues: Legionella / Fire Risk / Machine operation/ Play equipment Checks.	Existing procedures adequate.
12	Employer Liability	Non-compliance with employment law	L (4)	Councillors to undertake adequate training and seek advice from county association and NALC. HR Contractor appointed.	Existing procedures adequate.
13	Legal Liability	Legality of activities	L (4)	CEO to clarify powers for undertaking new activities. CEO to use the services of the legal services of NALC as required Continue with membership of ALC and NALC SLA in place with District Council for some legal services.	Existing procedures adequate.
14.	Devolution of Services from principal authority	Increase in services required by the Town Council – upward pressure on level of precept	M (5)	Asset Transfers need to include funding.	Formal agreements to be in place before taking on or funding additional services.
15.	Members interests	Conflict of interest	L (1)	Councillors have a duty to declare any interest at the start of each meeting.	Existing procedures adequate.
16	Members interests	Register of members interests	L (1)	Register of Members' interests form to be reviewed at least on an annual basis. Members to take responsibility to update their register.	Existing procedures adequate.
17.	Data Protection	(Mis)management of data	L(2)	Specific officers manage data GDPR policy in place Privacy statements issued Information audit carried out	Existing procedures adequate .

	Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
18.	Direct Costs	Goods not supplied but billed Incorrect invoicing Cheque Incorrect	L (2)	The Council has Financial Regulations which set out the requirements. Town Council and Committees have oversight of expenditure.	Existing procedures adequate.
19.	Best value accountability	Work awarded Incorrectly. Overspend on services.	L (2)	Financial Regulations set out contract levels and tendering process. If problems encountered with a contract the Clerk would investigate the situation and report to the Council. Procurement support from WFDC via SLA. Monitored by CEO	Existing procedures adequate.
20.	Salaries and assoc. costs	Salary paid incorrectly. Unpaid Tax to Inland Revenue.	L (2)	Payroll contracted out through WFDC. Internal Audit check Monitored by Staffing Committee/CEO	Existing procedures adequate.
21.	CEO	Improper Conduct	L (2)	Clerk's performance (and review) overseen by Staffing and Committee (includes annual appraisal). Monitored by Staffing Committee	Existing procedures adequate.
22.	CEO	Loss of CEO	M (5)	Shared responsibilities for some activities but not all. Locum services available through SALC and others	Review - No deputy CEO in place
23.	CEO	Actions undertaken	L (4)	CEO should be provided with relevant training, reference books and membership of SLCC. Provision to be incorporated in annual budget	Existing procedures adequate.
24.	Employees	Fraud by staff	L (2)	Fidelity Guarantee insurance in place.	Existing procedures adequate.
25.	Employees	Health and safety	L (2)	All employees have been provided adequate direction and safety equipment needed to undertake their roles Services Committee acts as Health & Safety Committee	Existing procedures adequate.
26.	Election Costs	Risk of election cost other than 4 yearly elections	L (2)	There are no measures, which can be adopted to reduce the risk of having a contested election. A contingency fund exists to accrue costs for cyclical elections and can be used for casual vacancies.	Existing procedures adequate.
27.	Town Hall	Running of the complex	M (5)	Town Hall Committee delegated to oversee management.	Existing procedures adequate.

	Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
28.	Town Hall	Not preparing for Martyn's Law a duty to protect / compliance	L (4)	New legislation (yet to be passed) will put additional responsibility on venues to protect its users. The Bill will impose a duty on the owners and operators of certain locations to increase their preparedness for and protection from a terrorist attack by requiring them to take proportionate steps, depending on the size and nature of the activities that take place there.	The Town Hall will need to adopt procedures and train staff in accordance with the 'tier' that it will fall into prior to reopening.
29.	Town Hall	Damage to property	L (2)	Building and contents insurance taken out and index linked.	Existing procedures adequate.
30.	Public Toilets	Damage to property	M (6)	Fire Risk Assessment conducted, daily inspections by contractor. Some acceptance required that Public Toilets are prone to vandalism.	Existing procedures adequate.
31.	Baxter Gardens Park	Personal Injury	L (2)	Regular equipment and ground checks undertaken by staff.	Existing procedures adequate.
32.	Broadwaters Park	Personal Injury	L (2)	Regular equipment and ground checks undertaken by staff.	Existing procedures adequate.
33.	St Georges Park	Personal Injury	L (2)	Regular equipment and ground checks undertaken by staff.	Existing procedures adequate.
34.	Play Park areas	Damage to equipment	L (2)	Regular checks undertaken during daylight hours / Annual RoSPA Inspection	Existing procedures adequate.
35.	Allotments	Damage to Property	L (1)	Property leased to allotment holders on full repairing lease	Existing procedures adequate.

5. Recommendation - To endorse the current Risk Management Policy

Kidderminster Town Council

Risk Management Reviewing Framework

Net Risk Level	Options	Management Action Required	Review/Reporting Required
Red 9	<ul style="list-style-type: none"> i. Reduce ii. Avoid 	<p>This level of risk is not acceptable and immediate management action must be taken to assess how this risk can be reduced to an acceptable level</p> <p>Where the impact might be avoidable death, abuse, life threatening or permanent disability, wherever possible the activity should cease until the risk is effectively managed</p>	<p>Finance & Overview (F&O) Committee must be made aware immediately (And, if needed, the appropriate Committee)</p> <p>Progress to manage the risk must be reviewed by Committee at each meeting and by the Chairman weekly</p>
Amber 8 Amber 6 Amber 5	<ul style="list-style-type: none"> i. Transfer ii. Accept iii. Reduce 	<p>While this level of risk can be accepted, management must first consider all reasonable steps that could be taken to reduce this risk in terms of both likelihood and potential impact</p>	<p>The Town Clerk must be (made) aware Report to F&O Committee (And, if needed, the appropriate Committee)</p> <p>Update report to each Committee meeting</p>
Amber 7	<ul style="list-style-type: none"> i. Transfer ii. Accept iii. Reduce 	<p>In view of the low likelihood of this risk occurring, this level of risk can be accepted. However, management must first consider all reasonable steps that could be taken to reduce this risk in terms of the potential impact</p>	<p>The Town Clerk must be (made) aware Report to F&O Committee (And, if needed, the appropriate Committee)</p> <p>Update report to each Committee meeting</p>
Green 4 Green 3 Green 2 Green 1	<ul style="list-style-type: none"> i. Transfer ii. Accept iii. Reduce 	<p>Whilst this level of risk is generally acceptable, management should consider whether this risk could be reduced in terms of either likelihood or impact. If the likelihood of this risk occurring reduces further, management may consider closing the risk</p>	<p>The Town Clerk to oversee the risks</p> <p>Reviewed each committee cycle and changes reported to committee</p>

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Risk Management Policy Matrix

Likelihood			
	Red/High	Medium/Amber	Low/Green
Probability	Highly likely to happen	Likely to happen	Possible to happen
Consider	Has incident occurred in the past year or is it highly likely to happen in the next year	Has the incident occurred in the last 1 to 2 years or is it likely to occur in the next 1 to 2 years	Has the incident occurred in the past 2 to 3 years or is it possible in the next 2 to 3 years
Impact			
	Red/High	Medium/Amber	Low/Green
Safeguarding/Safety	Avoidable death, abuse, life-threatening or permanent disability	Avoidable serious injury	Avoidable minor injury
Cost	More than £100k	£10K to £50K	Less than £10K
Legal impact	Criminal offence, imprisonment, judicial review	Legal action likely, substantial costs	Legal action/ fines unlikely
Intervention required	Statutory body, partner or enforcement agency intervention	Member intervention	Town Clerk intervention
Service Impact	Serious service failure directly affecting vulnerable groups	Serious service failure directly affecting customer/council operations	Significant service disruption
Project Delivery	Project failure impacting on Council's performance	Project failure impacting on service performance	Significant impact on unit performance
Reputation Impact	National Media Attention (print/broadcast/social) highly damaging or potential Public Interest Report	Sustained local media interest	Short term media interest

I M P A C T	High	Amber 7	Amber 8	Red 9
	Medium	Green 4	Amber 5	Amber 6
	Low	Green 1	Green 2	Green 3
		Low	Medium	High
	LIKELIHOOD			