

## COWES TOWN COUNCIL

### RISK MANAGEMENT REPORT

**POLICY:** Cowes Town Council recognises that the identification and management of risk is integral to the effective and efficient discharge of their duties and responsibilities to the Town. In all the services it provides, Cowes Town Council will seek to identify the key risks facing the Council, evaluate the potential to the Council of one of those risks taking place and agree measures to avoid, reduce or control the risk or its consequence.

Risk assessment is an ongoing process; the nature of risks may be financial or non-financial. The Members are responsible for risk management. The Town Clerk is responsible for advising Cowes Town Council on risk assessment so as to avoid undue risks to the Council.

#### RISK IDENTIFICATION & MITIGATION

Nature of Risk	Risk Mitigation
a. Protection of physical assets (including flood risk).	The Asset Register is maintained by the Clerk in accordance with guidelines and reviewed annually by the Council. Agreed physical assets are covered by insurance.
b. Damage to third party property or injury to individuals; safety of staff and visitors to the Town Council office.	The Council carries Public Liability insurance of £12m. The policy also includes Employer's Liability cover of £10m. Play area inspections are carried out regularly by the IW Council Environment Officer and the Town Clerks. Annual inspections are carried out by RoSPA. Maintenance of public conveniences, sites and equipment are undertaken on a responsive basis. Repairs are carried out promptly if they are a risk to the public. Health & Safety matters are raised as a permanent agenda item at the Finance, Acquisitions & Staffing Committee.
c. Financial loss through theft or dishonesty, including the prevention of fraud.	The Council carries Fidelity Guarantee cover of £500,000. The Clerk presents a list of cheques and petty cash payments for approval by full Council at each meeting. Cheques, corresponding number stubs and invoices are signed by the RFO or Assistant Town Clerk and two Councillors. Financial Regulation 5.3. Bank statements are received monthly, a bank reconciliation is prepared by the RFO and is available for inspection by Members. Income and expenditure and balances on bank accounts are reported quarterly to the Finance, Acquisitions & Staffing Committee. Proposals to amend banking arrangements are submitted to full Council for discussion and approval. A review of Financial Regulations is undertaken annually by the full Council. For all risks mitigated by insurance, the Clerk annually reviews the levels of cover, makes recommendations to the full Council and action is taken where necessary. The Council is subject to annual internal and external audits.

<p>d. Adequate resources in place to cover running costs, deliver services and take on discretionary services from the IOW Council; reduction, capping or loss of precept and grant.</p>	<p>A draft budget is prepared annually by the Town Clerk for consideration by the Finance, Acquisitions &amp; Staffing Committee and proposed for adoption by the full Council. Quarterly statements of expenditure against budget are presented to the Finance, Acquisitions &amp; Staffing Committee.</p> <p>The Council maintains general reserves equivalent to approximately six months' running costs in line with NALC recommendations.</p> <p>Requests to take on discretionary services are considered by the full Council.</p> <p>The Council considers the impact of raising the precept against a reduction in services when setting the annual budget.</p>
<p>e. Business continuity if staff are unable to access Council offices following a significant event.</p>	<p>The Council has Business Continuity insurance cover. Alternative office accommodation may be available or working from home is an option for staff.</p>
<p>f. Conflicts of interest when engaging contractors, professional advisers or other providers or when purchasing products or services.</p>	<p>Standing Orders and Financial Regulations (including tendering) are reviewed annually and are intended to avoid conflicts of interest when engaging contractors, professional advisers or other providers or when purchasing products or services.</p> <p>Declarations of Interests by Members associated with any agenda item are minuted at the start of each meeting or as they arise during a meeting.</p> <p>The Members' Register of Interests (Financial &amp; Other Interests) is held by the Town Clerk and a copy is held by the Monitoring Officer at the Isle of Wight Council. It is the responsibility of Members to notify the Town Clerk of any changes. The Town Clerk advises Members to review their Register of Interests at the Annual Town Council meeting each May.</p>
<p>g. Ensuring regulatory compliance.</p>	<p>The Town Clerk is responsible for ensuring that legal, statutory and other provisions governing or affecting the running of the Council are observed and for advising the Council of the same. The Town Clerk attends regular training courses on specific matters and receives correspondence, documents and other information, which are brought to the attention of the Council.</p> <p>In order to ensure that information is received from the widest possible range of sources the Council is a member of the Isle of Wight Association for Local Councils (IWALC) and the Town Clerk is a member of the Society of Local Council Clerks.</p> <p>The Town Clerk is CiLCA (Certificate in Local Council Administration) qualified. The Assistant Clerk is working towards the CiLCA qualification.</p>
<p>h. Competency of Councillors.</p>	<p>Members are offered training opportunities provided by IWALC which are free of charge. These training courses include Chairmanship training and Core Skills for new Councillors. Members are also invited to attend policy forums (e.g. planning) as well as briefings and discussion events. Reports are tabled at full Council meetings and minuted.</p> <p>The Council carries Libel &amp; Slander cover of £250,000.</p>
<p>i. Ensuring proper legal powers are available in decision-making and ensuring the proper use of funds granted under specific powers or S137.</p>	<p>The Town Clerk undertakes to ensure that the Council does not act 'ultra vires' when a decision is taken. It is recorded if the Council decides against the Town Clerk's advice. Standing Orders are reviewed annually. S137 grants are listed separately in the accounts.</p>

<p>j. Ensuring Cowes Town Council acts as a responsible employer.</p>	<p>The Town Clerk and Assistant Town Clerk are employees of the Council. Contracts of employment are signed by both parties and job descriptions are held on file.  Each year, and before the meeting at which the budget for the next year is approved, the Council shall review the pay and conditions of service for existing employees. Standing Order 7.3.  The Council pays the Town Clerk and Assistant Town Clerk via the PAYE scheme. The payroll is outsourced to a provider who is also responsible for making deductions under the Local Government Pension Scheme.  The Town Clerk is responsible for making regular and prompt payments to HMRC.  The Council fully supports the Town Clerk's and Assistant Town Clerk's training activities. 'Staffing Matters' is a permanent agenda item for the Finance, Acquisitions &amp; Staffing Committee.</p>
<p>k. Keeping proper financial records, including statutory returns.</p>	<p>Budgets are considered annually by the full Council and expenditure against budget is presented quarterly to the Finance, Acquisitions &amp; Staffing Committee.  VAT returns are submitted annually.  Where necessary, significant financial assets or liabilities are recorded in the notes of the accounts and reviewed annually.  The comments of the internal and external auditors are considered by the full Council and action taken where appropriate.  The RFO maintains the income and expenditure cashbook and spreadsheet, which is backed up on the icloud.  Current year documents are retained in the Town Council office. Archived documents are retained in the store room above the Town Council office in line with Cowes Town Council's Document Retention and Disposal Policy. Financial records and minutes are kept in perpetuity.</p>
<p>l. Ensuring openness and integrity when communicating matters to the Town.</p>	<p>The Council addresses the wider community of residents and electors at the Annual Town Meeting.  The public are invited to attend the monthly full Council meetings, all sub-committee meetings and any other extra meetings arranged. Time is given for public comments and questions which are minuted.  Details of all meetings of the Town Council are published on the Town Council website, displayed on the Town Council notice board and uploaded on to Facebook.  The Town Council publishes a quarterly newsletter which is delivered throughout the town of Cowes and is also published on the Town Council website.</p>

<p><b>APPROVED</b></p>	<p><b>DATE:</b> 18/5/17</p>	<p><b>MINUTE NO:</b> 7481</p>
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