

**Ledbury Town Council Risk Assessment of Financial and
Non-Financial Internal Audit Controls**

Identified Weakness	Risk Owner	Prob	Impact	Risk	Mitigation
Finance					
Bank Failure	LTC	1	4	4	Council use a major clearing bank and a portfolio approach to reserves
Bank Fraud	LTC	1	4	4	Monthly statements are checked by the Clerk and signed off by Cllr
Cheque Book or cash theft from offices	LTC	2	1	2	Appropriate measures in place; cheque book kept locked away, FR stipulate limit on cash withdrawal value and minimum of cash on premises. Return checked by the internal auditor.
Custom & Excise return and Inland Revenue returns and regulations	LTC	1	4	4	Payroll system handled via computer package that produces required return
Failure to set a precept	LTC	1	3	3	Procedure in place by which each committee prepares a budget for review by the Full Council. Clerk ensures decision made before Herefordshire Council deadline.
Uncontrolled Budget Overspend/Unauthorised spending	LTC	2	3	6	Payment procedures in place to ensure all receipts and payments are reported to councillors at each finance meeting. All cheques to be signed by two councillors and countersigned by Clerk or Deputy Clerk.
Employer's Liabilities					
Council fails to comply with employment law.	Standing Committee	3	4	12	Professional bodies are available for advice, support and regular review. All staff and councillors are encouraged to identify and attend appropriate training as it is identified. Budget is maintained to cover this.
Long term unavailability of the Clerk or loss of the Clerk without a period of notice.	Standing Committee	1	3	3	The appointment of a Deputy Clerk ameliorates this situation in the short term and backfill with longer term replacement as necessary.
Long term unavailability of the staff other than the Clerk.	Standing Committee	1	2	2	The council will employ short term contract or agency staff.
Other Liabilities					
The Town Council expends funds on an activity outside its legal powers.	Clerk	1	4	4	The Clerk checks the legal position with professional bodies. Internal auditor reviews expenditure. Council processes are in place.
Failure to maintain full document control	Clerk	3	3	9	Primary copies of unsigned documents are held electronically and secured to backup media within one day of creation or amendment. Stored at appropriate off-site location.

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Failure to keep records in accordance with the Data Protection Act and/or to respond to Data Protection/Freedom of Information Act disclosure requests as required by law	Clerk	3	3	9	A council policy is in place to ensure compliance with the DPA or FOIA as appropriate The policy is administered by the Clerk, who will report any failings to Councillors on operation of the record keeping of the Council as soon as possible. Reviewed if there is a change in law or every three years, whichever is the sooner.
Insufficient insurance cover for any aspect of Council responsibilities.	LTC	1	4	4	All appropriate insurances are in place. List is maintained in the council offices covering policies, types and amounts. Annual review in F&GP. Register of interest forms are provided to councillors by the Clerk upon first appointment to the Council. Completed forms are returned to the Clerk and the appropriate registers maintained.
Council fails to maintain a full and accurate registers of Interests.	Councillors	2	1	2	Councillors are reminded by the Clerk of the duty of Councillors to update. Councillors are personally responsible for their own actions. Staff covered by TC's liability insurance and employment conditions.
Slander and/or libel by a councillor or member of staff.	LTC/Councillors	3	3	9	When the council offices are open; two staff (staff can include councillor) must be on the premises. When closed an electronic door lock and speaker system is fitted (and must be used).
Safety of office based staff and visitors	Clerk	2	3	6	

Council Property

Impact of flooding or other occurrence affecting use of council property	LTC	2	3	6	Adequate insurance cover is in place. Disaster recovery plan.
Impact of flooding on parish	LTC	2	3	6	Sandbags, HCC weather alerts processes and personnel in place. All appropriate Health and Safety legislation is complied with and a record of any events which compromise building safety of all town council buildings are kept and acted on by Town Clerk in conjunction with Town Councillors. This includes regular fire inspections and any action that is necessary. Appropriate liability insurance is in place.
General building safety.	LTC	2	2	4	It is a key task for our Grounds Contractor to monitor weekly the state of all Council play equipment. All Council play equipment has an annual inspection by ROSPA.
Damaged play equipment.	LTC	2	3	6	

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Falling tree or branch hits a person. Collapse of grave memorial or boundary wall at the closed churchyard and cemetery. Dog Hill Wood and all other Council open spaces including damage to street furniture	Grounds officer and contractors	2	3	6	It is a key task for our Grounds Officer/Contractor to monitor at all times the state of: 1. trees in all Council grounds for any signs of damage or other weakness particularly in the event of any storm or other extreme weather conditions before undertaking other duties 2. the closed churchyard including boundary wall All signs of damage or any other safety issue must be reported immediately to the Clerk. Intentional damage must be reported to the Police and an incident number obtained. The buildings rather than the contents are the main assets. Doors are kept locked when not in use.
Forced entry to council property.	LTC	2	2	4	

Other Assets

Failure to maintain a full and accurate Asset Register.	Clerk	1	1	1	The Asset Register is administered by the Clerk, who reviews annually and prepares report to the Councillors.
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Contractual

Incorrect application of tender rules.	Clerk	2	3	6	The Clerk checks the legal position with professional bodies, either when requested by councillors or in his/her judgement there is a risk to council.
Failure to maintain privacy of exempt information.	Clerk	4	3	12	The Clerk checks the legal position with professional bodies, either when requested by councillors or in his/her judgement there is a risk to council. The authority for the commitment to all contracts rests solely with Councillors at a properly convened meeting of Ledbury Town Council except when the Clerk commits to a contract for daily operation of the Council. All commitments made outside the conditions above will be considered a misrepresentation by Council and will be reported to the Police and may result in court action in either the criminal or civil court.
A member of staff and or a Councillor commit to a contract without proper authority.	LTC/Clerk	2	3	6	

Council Activities

Failure to provide an accurate and timely report of any council, committee or working party meeting.	LTC	3	2	6	All minutes of meetings are prepared within agreed timescales and agreed by councillors at the next meeting. All minutes are made available for public access on the Town Council website.
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					Councillors have a personal duty to ensure that their decisions regarding the allocation of grant monies is in accord with all relevant procedures.
Failure to follow the proper procedures during the allocation of grant monies including Section 137 grant monies	LTC	1	2	2	If the Clerk or any Councillor believes or becomes aware of any infringement of procedures in the allocation of grant or Section 137 monies they must raise the matter as a point of order immediately if part of the meeting where the subject is under discussion. Councillors will consider their own position as to whether any breach of procedures warrants a report to the Standards Board for England.
Failure to respond to consultation invitations from senior authorities or other public bodies within the allotted time.	LTC	2	2	4	The Clerk is responsible for notifying LTC of deadlines. Where consultation deadlines are unreasonably short, the Council will make strong representations to the relevant authority to gain an acceptable period.
Failure to complete consultations on long term plans eg. Town Plan and Neighbourhood Plan	LTC	3	3	9	Manage the project properly and take timely advice from qualified experts.