

Stone Town Council

Strategic Risk Register – January 2021

Risk	Impact/Consequences	Controls in Place	Net Risk Score			Additional Controls/Actions Required
			Likelihood	Impact	Total	
Failure to comply with legislation, regulations or Codes of Practice	Possible legal action against Council or individuals.	Access to legal bulletins, advice and information via NALC, SLCC and Borough Council.	1	4	4	
Failure to maintain a robust and legal decision making process	Challenge to decisions, possible legal action.	Up to date standing orders, code of practice etc. reflecting current legal practices. Access to legal bulletins, advice and information via NALC, SLCC and Borough Council.	1	4	4	
Failure of financial processes and reporting	Decisions taken without full information, Members and officers not properly informed on financial resource matters, potential threat to council resources, reserves and/or reputation.	Annual financial statements prepared by responsible financial officer and, checked by internal and external auditors. Budget monitoring reports provided regularly to Members. Budget consideration annually with forward plan and information on reserves. Town Clerk is qualified and experienced accountant.	1	3	3	
Failure of internal controls	Potential for fraud/theft, procedures not followed leading to possibility of higher costs /need for additional other resources.	Insurance cover - subject to certain requirements being met, internal audit, systems and division of responsibilities. Some limitation due to small number of staff.	1	3	3	
Failure to comply with Covid safety rules	Potential for spreading of virus, plus exposure of Council to fines and severe reputational damage.	Regular review of rules and commitment to their implementation.	2	4	8	

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Operational Risk Register (Resource Management) – January 2021

Risk	Impact/Consequences	Controls in Place	Net Risk Score			Additional Controls/Actions Required
			Likelihood	Impact	Total	
Planning applications and other consultations not responded to within timescale	Views of the Council not taken into consideration resulting in developments/projects etc. not being amended/refused as requested for the benefit of residents.	Planning Committee meets monthly. Timetables negotiated with Borough Council if necessary. Delegated arrangements in place for emergency decisions.	1	2	2	
Breach of confidentiality	Confidential documents in the public domain. Possible third party claims/loss of public faith in the Council.	Staff and Members clear about need for confidentiality. Private items clearly indicated on agendas. Media protocol adopted.	1	2	2	
Legal proceedings against the Council	Reputation of the Council put at risk, officers / Members personally accountable, possible significant resource implication.	Access to legal advice through NALC, SLCC, Borough Council and independent solicitors. Insurance cover gives some financial protection. Council protocols and procedures designed to prevent actions outside the law.	2	3	6	
Insufficient available resources to meet the Council's needs and priorities	Aims and objectives unable to be met	Budget prepared over three forward years. Regular budget monitoring by members and officers. Reserves at adequate level.	1	3	3	
Major budget overspend	Interruption or termination of services, including services not subject of overspend.	Financial assessment of new developments as part of reporting to Members. Regular budget monitoring by members and officers. Reserves at adequate level. Internal controls re ordering and payments.	1	2	2	

Risk	Impact/Consequences	Controls in Place	Net Risk Score			Additional Controls/Actions Required
			Likelihood	Impact	Total	
Loss of trading income	Increase in net costs. Interruption or termination of services, including services not subject of income loss. Longer term threat to service where income has fallen.	Planned budget, prudent estimates for income, regular monitoring by officers and Members allows review of costs or opportunity to expand income to reduce impact where possible.	2	2	4	
Failure of IT systems	Unable to carry out day to day administrative and financial work. Unable to prepare minutes, reports or agendas. Unable to respond to queries from Members or the public.	Professional IT support under contract to provide support to the Council. Full review of security systems undertaken as part of appointment of IT company and all recommendations adopted. All key IT equipment replaced in 2017. Some key systems, e.g. community centre bookings, kept manually. Planned updating of IT hardware and software to maintain currency, compatibility and reliability. Following some initial teething issues, IT support contract now appears to be operating successfully.	1	3	3	IT support contract now operating successfully.
Serious breach of IT security	Confidential data compromised throughout system. Possible data corruption/destruction. Failure of IT systems.	Limited personal and confidential data held. Domain level network security control. Separate guest access to internet with no access to STC data. Security of network, data, etc. reviewed as part of IT support contract.	2	3	6	
Loss of key staff skills for significant period (e.g. illness or resignation)	Reduced performance or reliability in some or all aspects of the Council's work.	Some posts within the organisation can be covered to provide basic service continuation but due mainly to the small size it is not possible for full crossover of skills and knowledge. A small staff base also means there is not the capacity to significantly increase workload without increasing staffing.	2	3	6	Insurance cover increased from June 2019 to cover accidents to key staff outside work (accidents to staff in work already covered)

Risk	Impact/Consequences	Controls in Place	Net Risk Score			Additional Controls/Actions Required
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Major failure related to health and safety legislation	Injury to or death of a member of staff, Councillor or member of the public. Possibility of legal action by Health and Safety Executive.	Appointed external consultants to support Council's health and safety work. Up to date health and safety policy and strategy. Risk assessments for Council premises and activities. Staff properly trained. NOTE: Some of these controls are not yet fully in place following the implementation of the support contract.	1	4	4	Undertake full set of risk assessments Continue programme of staff training
Major staffing issue resulting in industrial tribunal or legal action.	Resource implications, poor press, impact on workforce and council during tribunal	Existing HR experience. Access to Borough or County HR/Legal staff for support (at a cost). Members of West Midlands Employers' Organisation.	1	3	3	
Fraud/Theft	Resource implications, poor press, loss of Council assets, impact on Council reputation.	Internal controls, internal audit, fidelity insurance cover. The effectiveness of internal control is, however, severely restricted in a small organisation with limited scope for separation of duties.	1	3	3	
Economic impact of Covid-19 on the Council's activities.	Loss of income from trading activities. Additional demands due to Covid impact on community. Reduced spending on public events etc..	There is a degree of self balancing with event expenditure reducing to partially compensate for lost income and additional demands. Impact in 2020-21 met from reserves. Covid contingency built into 2021-22 budget.	4	2	8	Continue to monitor

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Operational Risk Register (Service Delivery) – January 2021

Risk	Impact/Consequences	Controls in Place	Net Risk Score			Additional Controls/Actions Required
			Likelihood	Impact	Total	
Failure to review and/or collect charges	Reduced income to the Council and non-competitive charges.	Charges reviewed annually as part of budget process. Income levels compared to budget by month as part of budget monitoring processes. Casual hirers pay in advance, regular bookings invoices. Market traders pay in cash on day of market. Booked traders who do not turn up are expected to pay on their next visit	1	1	1	Markets to move to payment in advance. Credit and Debit cards to be accepted for payment. Use of cheques to be restricted from April 2020 (LT)
Lack of adequate insurances	Claims against the Council would result in expenditure in excess of the budget.	Regular review of insurances. Use of insurer's tool to determine level of insurance required. . Requirement for market traders to have their own indemnity insurance, which is checked before a stall is allocated.	1	3	3	
Vandalism	Loss of bookings, additional expenditure, poor image.	Users, caretaker or cleaner report any problems to ATC(BR), who takes action accordingly. Terms and conditions of hire for FJC updated to make responsibilities or hirer re damage to premises or equipment clear.	2	3	6	Terms and conditions of hire for Stone Station to be updated along the lines of FJC terms (LT)
Inadequate budget provision	Routine and essential maintenance not undertaken or equipment not replaced resulting in reduced bookings and health and safety issues. Deterioration in leased buildings which would need to be reinstated under lease. Open spaces may become unsafe.	Budgets reviewed yearly. Condition of buildings, equipment and open spaces regularly reviewed.	1	4	4	

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Inappropriate terms for leased buildings	Council unable to meet obligations under lease, or restrictions prevent Council from making optimum use of asset.	Legal advice sought for new leases, and financial and other implications reported to Members before signing.	2	3	6	
Buildings and equipment not maintained	Fabric of building deteriorates, resulting in less attractive building for hirers and failure to meet lease obligations.	Building maintenance budget in place for planned and reactive work. Periodic building inspections.	2	3	6	Regular buildings inspections (ATC(BR)) Planned preventative maintenance programme (TC)
Lack of Security	Theft and damage resulting in possible loss of assets, cancelled bookings, reduced income and higher insurance premiums.	Regular banking, insurance, buildings alarmed, on-site caretaker ay Stone Station, key codes at civic office, and office space shared with police. CCTV installed at Frank Jordan Centre.	1	3	3	
Availability of sufficient marquees for market	Market traders turned away	Council has stock of marquees, which are regularly maintained. Access is available to additional marquees for hire. Refresh of Council marquees undertaken in March 2019.	1	2	2	
Allotment tenancy agreements not in place	Lack of control of tenancies and income. Tenants not clear on terms of their agreement	Signed tenancy agreements in place with all allotment holders.	1	2	2	
Japanese Knotweed at allotments	Allotment revenue lost, Damage to reputation if spreads.	Regular monitoring and prompt treatment of any Knotweed presence. NOTE: Current treatment of Knotweed in progress.	3	2	6	
Fly tipping at open spaces or car parks	Unsightly and possibly hazardous resulting in increased expenditure to remove and possible claims against the Council.	Rubbish removed as and when required.	2	2	4	
Illegal encampment	Unsightly, unable to gain access for maintenance, health and safety issue resulting in complaints and poor image.	Access partially restricted by gates and fences. Police to be informed as soon as illegal encampment is identified and dealt with by them.	1	3	3	

Risk	Impact/Consequences	Controls in Place	Net Risk Score			Additional Controls/Actions Required
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Litter/dog mess in open spaces	Unightly, health and safety issue resulting in complaints and poor image.	Dog bins provided, areas litter-picked regularly.	2	2	4	
Unable to provide services due to Covid restrictions.	Resource impact (see above). Loss of service to residents. Loss of town centre activity (events and markets). Possible closure of offices.	Plans in place to facilitate remote working if office closed. Regular review of regulations to ensure service provision is maximised within legal requirements.	4	2	8	Ensure that lessons from first lockdown are learned to improve resilience.