

**RESOURCES COMMITTEE**

Minutes of a meeting of the Resources Committee held at 6.30pm on Tuesday, 07 September 2021 in the Town Hall, Banbury.

Present: Councillor Mallon (Chairman)  
Councillors: Colegrave, Dalton, Garrett, Hussain, Kilsby, Reeves, Richards and Strangwood.

Alternate Members: none.

Officers: Mark Recchia (Town Clerk)  
Mark Hassall (Deputy Town Clerk/RFO)  
Paul Almond (Operations Manager)

**R.16/21 Apologies for Absence**  
Councillor Phillips.

**R.17/21 Declarations of Interest**  
The Town Clerk, Deputy Town Clerk and Operations Manager all declared pecuniary interests in respect of part of the Staffing report (Minute R.28/21 refers), and left the meeting during the discussion and voting on the element of the report impacting upon them.

**R.18/21 Minutes of the last Meeting**  
**IT WAS RESOLVED** that the Minutes of the Meeting held on 15 June 2021 and of the Special Meeting held on 14 July 2021 be approved as correct records and signed by the Chairman.

**R.19/21 Income & Expenditure Report**  
The Committee considered a report prepared by the Deputy Town Clerk/RFO comparing year-to-date income and expenditure with the projected annual budget for the financial year. The report showed all expenditure incurred up to 23 August 2021.

Officers responded to a range of questions from Members relating to various budget codes. Members' attention was drawn to the fact that overall the Committee's expenditure was within forecast. This recognised the timing of completion of capital works and improved grant income. The main causes of variations on the Committee's estimates were as follows:

- ◆ Reduced professional fees and legal support costs.
- ◆ Reduced Central Admin salary costs.
- ◆ Town Council Events and Town Hall expenditure continued to remain muted in line with a gradual opening up agenda, and Other services to the Public included timing of invoicing for contributions to CDC for CCTV scheme in 19/20 & 20/21, alongside lower election charges and uptake of small grant applications.
- ◆ Other Costs & Income included COMF grant income which had been received to facilitate measures to enhance safe return to post pandemic activity

**IT WAS RESOLVED** to receive and note the Income and Expenditure report.

**R.20/21 Review of Effectiveness of Internal Control Systems for the Financial Year 2021/22**  
Members considered the report of the Deputy Town Clerk/RFO indicating that the Council was required, under the Accounts & Audit Regulations (England) 2015 as amended, to carry out an annual review of the effectiveness of its internal audit procedures.

The Committee was asked to review the Council's records and control systems. Members' attention was drawn in particular to the need to consider whether the various internal audit measures in place were commensurate with the risks involved.

**IT WAS RECOMMENDED** to the Council that no changes be made to the Internal Controls programme (as set out in **Appendix A** to the Minutes).

**R.21/21 Risk Management Policy**

The Committee conducted an annual review of the Council's Risk Management Strategy/Policy on the recommendation of the Council's External Auditor.

The objectives of this strategy were reported as being the integration of risk management into the culture of the organisation.

**IT WAS RECOMMENDED** that no changes be made to the Risk Management Policy (as set out at **Appendix B** to the Minutes).

**R.22/21 Treasury Management Review**

Members were advised that under the Local Government Act 2003 the Council was required to determine an Annual Investment Strategy. It was suggested that the Council be invited to adopt the existing policy without amendment.

**IT WAS RECOMMENDED** that the Council formally adopt the Treasury Management policy as set out in **Appendix C** to the Minutes.

**R.23/21 Cherwell Community Governance Review**

The Committee considered a report of the Town Clerk advising Members of a planned Community Governance Review (CGR) by Cherwell District Council (CDC). CDC wanted to ensure that parish governance in the district continued to reflect the identities and interests of local communities and that it was effective and convenient. A Community Governance Review was the process that allowed CDC to make changes to the governance of towns and parishes in the District. A CGR took around 12 months to complete and involved two stages of consultation with local people and other stakeholders. Any changes agreed as part of a CGR usually came into force at the next scheduled election for the town/parish concerned.

The Town Clerk reported that there had been a significant amount of housing development on the urban fringe of Banbury over the last few years, particularly at Longford Park, Hanwell Fields/View, and south of Salt Way. Some but by no means all of this new housing has been picked up in the last boundary review. This could leave anomalies, for example where new infrastructure/sports provision straddled parish boundaries. It was important to note that asking for an issue to be included in the review did not commit either the town council or CDC to make the changes requested, it just enabled CDC to carry out consultation on the issues.

**RESOLVED** that Cherwell District Council be informed that the Town Council would wish Banbury to be included in the upcoming Community Governance Review.

**R.24/21 Events Update**

The Committee considered a report of the Town Clerk updating Members on:

- The meeting of the Events Working Group held on 14 July.
- Progress with recruitment of a new Events Manager; and
- Events that have taken place since the last meeting or are planned to take place this year

Events Working Group

Members were advised that the Working Group had met on 14 July and considered both a report on the historic/current events programme and a range of suggestions on how the group could add value going forward. Minutes of the Group's meeting had been circulated and a date for a further meeting was pending the recruitment of a new Events Manager.

Events Manager

The initial closing date for applications had been set for 20 August, with interviews scheduled for 27 August. However, following the closing date a decision was taken in consultation with the Chairman to re-advertise the role, due to insufficient applications having been received to construct an effective shortlist of candidates. The role was originally publically advertised through the Council's Website and the Town Events Facebook Group, and through more targeted advertising using the Local Authority Events Organisers Forum and an online Town Clerks Forum. It had now been advertised more widely using the Indeed platform and the revised closing date was now set for Friday 17 September, with interviews scheduled for Thursday 23 September.

Events held/planned

*Civic Events*

A scaled back Armed Forces Day had taken place with the input of local Reserve and cadet Forces and the RBL on the 26th June. This included a display of military vehicles and stalls in the Market Place, and was attended by the Lord Lieutenant of Oxfordshire, along with the Town Mayor, Chairman of OCC, High Steward and local MP. Battle of Britain day would be marked on 19 September with a Church Service at 12 noon at St Marys and a flypast by two Spitfires shortly after 1pm. Remembrance Day would once again see images projected onto the North elevation of the Town Hall for one week either side of Remembrance Sunday, along with the traditional Church Service and commemoration at the War Memorial in People's Park. Discussions would be held shortly with stakeholders regarding any parade element.

*Community Events*

Cherwell Theatre Company and Oxfordshire Play Association had undertaken events within People's Park and Princess Diana Park. Perry Hatwell's Fair had also taken place in PDP and the Emergency Services Day in Spiceball Park had proved popular and could well be repeated in future years. Canal Day was not in the draft Calendar of Events for this year but Tooley's Boat Yard had been keen for the event to go ahead in some form on Sunday 3 October, for the first time since 2018. However, with building works still continuing along the canalside, the narrowness of the canal towpath on the Park side and the main bridge still closed, it was not possible to make this event happen again this year. The Womens Cycle Tour grand finish would though be coming to Banbury the following day, and it looked like the Michaelmas Fair would also go ahead mid-October.

BTC and Castle Quay were also currently working on a new lighting scheme for the Town Centre and the Shopping Centre that would complement each other. The BID were working with us to update the Xmas light projections for this year. The Switch On event for the Xmas Lights was usually held on the last Sunday of November and it is hoped that this would be able to go ahead in some form. Work was also underway on the Queen's Platinum Jubilee and an initial meeting had taken place with the Leader, High Steward, Town Clerk, Operations Manager and BID Manager to scope out some potential "green" projects, under the Queen's Green Canopy scheme.

**RESOLVED** that the updates be noted and the decision that Canal Day will not take place again this year be confirmed.

**R.25/21 Confidential Business Exclusion**

**RESOLVED** that, in accordance with Section 1(2) of the Public Bodies (Admission to Meetings) Act 1960, the public and press be excluded from the meeting during the consideration of the item set out below on the grounds that publicity would be prejudicial to the general interest by reason of the confidential nature of the business to be transacted.

**SUMMARY of items discussed during confidential session**

**R.26/21 Acceptance of Tenders**

The Committee noted the tenders submitted for the People's Park proposed Café and refurbishment project and authorised the Town Clerk to enter into a contract with the successful tenderer, C J Charles, in the sum of £227,616.

**R.27/21 Bus Shelter Agreement**

The Committee considered a report of the Town Clerk seeking Member approval to vary a Bus Shelter Equipment Agreement with Clear Channel UK Ltd.

Members considered a similar proposal at their last meeting. At that meeting it was explained that whilst there were no objections in principle to parts of this request, one of the new clauses proposed could have had financial implications and the extent of these was unclear. Members suggested that the Council seek legal advice on the potential impact of this Clause and refer back to Clear Channel for further clarification, and report back to the next meeting. In the meantime Members asked that the possibility of working with other suppliers or bringing the service entirely in-house be explored (Minute R.11/21 refers).

Following the last meeting the concerns over the problem Clause were raised with Clear Channel. Their response had been to propose a new Deed of Variation that now omitted the problem Clause, and also offered a 2 year extension to the Agreement. Previously the company had only offered a 5 year rolling extension. Given the change of stance by the company, and the impending deadline for any notice of termination, it was recommended that the proposed Deed of Variation be accepted. This would allow a reasonable timeframe in which to properly investigate alternative options.

**RESOLVED** that the variation in respect of new clauses, including the 2 year extension, be approved and the Town Clerk be authorised to sign the Deed of Variation.

**R.28/21 Staffing Issues**

The Committee considered a report of the Town Clerk reviewing the current staffing structure, including management and supervisory responsibilities. A business case was presented which addressed immediate concerns over staff turnover within the parks and cemeteries service, whilst also outlining opportunities for streamlining structures and bolstering operational areas of the workforce to meet current and future demands. A potential implementation date for completion of the re-structuring was 1 April 2022. However, some of the proposed changes impacting Parks & Cemeteries staff were felt to require more urgent implementation, and subject to no objections being raised by affected staff, could be implemented by 1 October 2021.

**RESOLVED**

- (1) That the new staffing structure as set out at Appendix 2 to the report of the Town Clerk (a copy of which is filed in the Minute Book) be agreed in principle and the necessary consultation and implementation processes be commenced as soon as possible, with a view to implementation of the changes impacting the Parks & Cemeteries staff, if there are no objections raised by staff, with effect from 1 October 2021; and

- (2) To undertake further investigation and consultation in respect of the Senior Management proposals, and consider a further report at the November meeting on this aspect of the re-structure.

The meeting ended at 8.15pm

**REVIEW OF INTERNAL AUDIT OF COUNCIL'S RECORDS AND CONTROL SYSTEMS FOR THE FINANCIAL YEAR 2021/22**

Banbury Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and for ensuring that there is a sound system of internal control which facilitates the effective exercise of its functions.

The Council carries out an annual review of the effectiveness of its internal control procedures. This paper sets out the processes employed at Banbury Town Council.

Banbury Town Council seeks to ensure that the financial management of the Authority is robust and, in particular, that the following financial management principles are incorporated within the system of internal control:

- Compliance with Standing Orders for Contracts
- Compliance with budgetary procedure requirements
- Segregation of financial responsibilities
- Management supervision
- Personal accountability of staff as budget holders
- Development and maintenance of systems by Managers
- Monitoring of budgets for over and underspends.
- Regular periodic reviews and financial reports
- Setting targets to measure financial performance
- Regular reports showing actual expenditure and income against forecasts for reporting on and reviewing financial performance
- Clearly defined budget setting and capital expenditure guidelines
- Regular monitoring of reserves/balances

The process agreed by the Council which is applied in maintaining and reviewing the effectiveness of governance arrangements, including the system of internal control includes:-

- Reporting on any issues relating to value for money, to ensure use of resources in an economical, effective and efficient way.
- Approval through the relevant Standing Committees of budget plans, the subsequent collation of comments for policy guidance at the Town Council meeting on the setting of the budget and any Precept requirements for the following year.
- Responsibility through the Resources Committee for receiving regular reports on work in progress and to be programmed for the future on internal audit and external audit functions.
- Where any recommendations are made either by the Internal or External Auditor suggesting improvements to the effectiveness of the systems of governance and internal control, a plan of action will be agreed with the relevant Officer within a reasonable period to address weaknesses and to ensure agreed action is undertaken.

**Monthly checks**

The Town Clerk checks the original bank statements against the figures shown in the monthly reconciliation print out created by the Responsible Financial Officer (RFO). The reconciliation is initialled by the Clerk. All cheques and instructions to bank are signed by two Councillors

and either the Town Clerk or RFO and a summary of invoices are available for inspection, with the originals available on request

The Clerk signs the monthly wages transfer created by the RFO. He then prepares a bank transfer to move the money from the Council's main reserves into the Wages account. This transfer is checked and signed by two Councillors.

### ***Meeting cycle checks***

At each meeting cycle (approximately every 8 weeks), the Council receive a summary of expenditure against budget. Any significant variations are set out in a written report.

The Council also retains the services of an independent Internal Auditor who works to an agreed annual programme, which is regularly reported to the Resources Committee. The Internal Auditor reports to the Council's RFO, but in order to ensure independence, has direct access to the Town Clerk. The Internal Auditor is Stuart Pollard of Auditing Solutions Ltd.

### **Annual checks**

Stuart Pollard carries out a full audit of the Council's expenditure and receipts once a year. This audit is carried out at the Town Hall.

In addition to auditing the cashbook, salaries and VAT, the auditor will check that Officers have complied with Financial Regulations (adequate insurance, competitive tendering, delegations etc) and that Councillors have fulfilled their role including their monthly checks and the annual risk assessment. The Internal Auditors report is submitted to the Resources Committee and any recommendations are acted upon in line with agreed resolutions.

The Annual Return is signed off by the full Council after the RFO has explained the significance of section 2 outlining governance responsibilities. The report of the external auditor following review of the Annual Return is then submitted to the Council for consideration as soon as practicable following its receipt. If any changes are required to the Annual Return following the auditor's review it is re-submitted to the Council.

The budget is set by the Resources Committee in November/December and agreed by full Council in January. The budget is reviewed for appropriateness six months into the year and re-apportioned to service areas in line with evolving priorities of the Council.

Our grounds maintenance and other significant contracts are competitively tendered. Work that is outside of the scope of these contracts are quoted for if more than £3k or tendered for if greater than £25k and members receive reports of tender exercises.

***The Council is invited to consider whether the various internal audit measures that are in place are commensurate with the sums of money involved.***

September 2021



## BANBURY TOWN COUNCIL

### RISK MANAGEMENT STRATEGY

#### 1 Introduction

1.1 This document forms the Council's Risk Management Strategy. It sets out:

- What is risk management;
- Why does the Council need a risk management strategy;
- What is the Council's philosophy on risk management;
- What is the risk management process
- Roles and responsibilities;
- Future monitoring

1.2 The objectives of this strategy are to:

- Further develop risk management and raise its profile across the Council;
- Integrate risk management into the culture of the organisation;
- Embed risk management through the ownership and management of risk as part of all decision making processes; and
- Manage risk in accordance with best practice.

#### 2 What is Risk Management?

2.1 *'Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.'* Audit Commission, *Worth the Risk: Improving Risk Management in Local Government*, (2001: 5)

2.2 Risk management is an essential feature of good governance. An organisation that manages risk well is more likely to achieve its objectives. It is vital to recognise that risk management is not simply about health and safety, but applies to all aspects of the Council's work.

2.3 Risks can be classified into various types but it is important to recognise that for all categories the direct financial losses may have less impact than the indirect costs such as disruption of normal working. The examples below are not exhaustive:

**Strategic Risk** - long-term adverse impacts from poor decision-making or poor implementation. Risks damage to the reputation of the Council, loss of public confidence, in a worse case scenario Government intervention.

**Compliance Risk** - failure to comply with legislation, laid down procedures or the lack of documentation to prove compliance. Risks exposure to prosecution, judicial review, employment tribunals and the inability to enforce contracts.

**Financial Risk** - fraud and corruption, waste, excess demand for services, bad debts. Risk of additional audit investigation, objection to accounts, reduced service delivery, dramatically increased Council Tax levels/impact on Council reserves.

**Operating Risk** - failure to deliver services effectively, malfunctioning equipment, hazards to service users, the general public or staff, damage to property. Risk of insurance claims, higher insurance premiums, lengthy recovery processes.

2.4 Not all these risks are insurable and for some the premiums may not be cost effective. Even where insurance is available, a monetary consideration might not be an adequate recompense. The emphasis should always be on eliminating or reducing risk before costly steps to transfer risk to another party are considered.

2.5 Risk is not restricted to potential threats but can be connected with missed opportunities. Good risk management can facilitate proactive, rather than merely defensive responses. Measures to manage adverse risks are likely to help with managing positive ones.

### **3 Why does the Council need a Risk Management Strategy?**

3.1 Risk management will strengthen the ability of the Council to achieve its objectives and enhance the value of services provided.

3.2 The Risk Management Strategy will help to ensure that all Committees/ service areas have an understanding of risk and that the Council adopts a uniform approach to identifying and prioritising risks. This should in turn lead to conscious choices as to the most appropriate method of dealing with each risk, be it elimination, reduction, transfer or acceptance.

3.3 Strategic risk management is also an important element in demonstrating continuous service improvement.

3.4 There is a requirement under the Accounts and Audit Regulations to establish and maintain a systematic strategy, framework and process for managing risk.

### **4. Risk Management Policy Statement**

Banbury Town Council recognises that it has a responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise the opportunities to achieve its vision.

The Council is aware that some risks can never be eliminated fully and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

Risk management is an integral part of the Council's management processes.

## 5. Implementing the Strategy

### 5.1 Risk Control

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and/or reducing the severity of the consequences should it occur. Typically, risk control requires the identification and implementation of revised operating procedures, but in exceptional cases more drastic action will be required to reduce the risk to an acceptable level.

Options for control include:

**Elimination** – the circumstances from which the risk arises are removed so that the risk no longer exists;

**Reduction** – loss control measures are implemented to reduce the impact/ likelihood of the risk occurring ;

**Transfer** – the financial impact is passed to others e.g. by revising contractual terms;

**Sharing** - the risk is shared with another party;

**Insuring** - insure against some or all of the risk to mitigate financial impact; and

**Acceptance** – documenting a conscious decision after assessment of areas where the Council accepts or tolerates risk.

### 5.2 Risk Monitoring

The risk management process does not finish with putting any risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of any risk has changed over time.

The information generated from applying the risk management process will help to ensure that risks can be avoided or minimised in the future. It will also inform judgements on the nature and extent of insurance cover and the balance to be reached between self-insurance and external protection.

### 5.3 Risk Management System

**Risk Identification** – Identifying and understanding the hazards and risks facing the Council is crucial if informed decisions are to be made about policies or service delivery methods. The risks associated with these decisions can then be effectively managed.

**Risk Analysis** – Once risks have been identified they need to be systematically and accurately assessed using proven techniques. Analysis should make full use of any available data on the potential frequency of events and their consequences. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to the risk.

**Risk Prioritisation** - An assessment should be undertaken of the impact and likelihood of risks occurring, with impact and likelihood being scored using a matrix (See **Appendix A**). This will require a numeric value to be given to both the likelihood of the risk happening and the severity of the impact if it did, based upon the following scoring:

Low = 1 to 5; Medium = 6 to 11; High = 12 to 25

Where a residual risk is low further action will only be taken where it is viable to do so. Medium risks will be addressed within the next 3 to 6 months. High risks will require action as soon as possible. Strategic, Compliance and Financial risks are identified in the Corporate Risk Register at **Appendix B** whilst Operational risks are identified in a suite of service specific risk assessments held by the Clerk and Service Managers.

## 6 Roles and Responsibilities

6.1 It is important that risk management becomes embedded into the everyday culture and performance management process of the Council. The roles and responsibilities set out below, are designed to ensure that risk is managed effectively right across the Council and its operations, and responsibility for risk is located in the right place. The process must be driven from the top but must also involve staff throughout the organisation.

6.2 **Elected Members** – risk management is seen as a key part of the Elected Member's stewardship role and there is an expectation that Elected Members will lead and monitor the approach adopted, including

- (a) Approval of the Risk Management Strategy;
- (b) Analysis of key risks in reports on major projects, ensuring that all future projects and services undertaken are adequately risk managed;
- (c) Consideration, and if appropriate, endorsement of the Annual Governance Statement; and
- (d) Assessment of risks whilst setting the budget, including any bids for resources to tackle specific issues.

6.3 **Employees** – will undertake their job within risk management guidelines ensuring that their skills and knowledge are used effectively. All employees will maintain an awareness of the impact and costs of risks and how to feed data into the formal process. They will work to control risks or threats within their jobs, monitor progress and report on job related risks to the Town Clerk.

6.4 **Town Clerk** – will act as the Lead Officer on Risk Management, assisted by the Deputy Town Clerk & RFO, and be responsible for overseeing the implementation of the Risk Management Strategy. The Town Clerk will:

- (a) provide advice as to the legality of policy and service delivery choices;
- (b) provide advice on the implications for service areas of the Council's corporate aims and objectives;
- (c) update the Council on the implications of new or revised legislation;
- (d) assist in handling any litigation claims;
- (e) provide advice on any human resource issues relating to strategic policy options or the risks associated with operational decisions and assist in handling cases of work related illness or injury;
- (e) advise on any health and safety implications of the chosen or proposed arrangements for service delivery;

6.5 **Responsible Finance Officer** – as the Council's Section 151 Officer the Deputy Town Clerk & RFO will:

- (a) assess and implement the Council's insurance requirements;
- (b) assess the financial implications of strategic policy options;
- (c) provide assistance and advice on budgetary planning and control;
- (d) ensure that the Financial Information System allows effective budgetary control;
- (e) maintain the Council's Risk Register;
- (f) effectively manage the Council's investment and loan portfolio.

6.6 **Role of Internal Audit** – Internal Audit provides an important scrutiny role by carrying out audits to provide independent assurance to the Council that the necessary risk management systems are in place and all significant business risks are being managed effectively.

Internal Audit assists the Council in identifying both its financial and operational risks and seeks to assist the Council in developing and implementing proper arrangements to manage them, including adequate and effective systems of internal control to reduce or eliminate the likelihood of errors or fraud.

Internal Audit reports, and any recommendations contained within, will help to shape the Annual Governance Statement.

6.7 **Resources Committee** – Review and future development of the Risk Management Policy and Strategy will be overseen by the Resources Committee.

6.8 **Training** – Risk Management training will be provided to Elected Members and staff through a variety of mediums. The aim will be to ensure that both Elected Members and staff have the skills necessary to identify, evaluate and control the risks associated with the services they provide.

6.9 In addition to the roles and responsibilities set out above, the Council is keen to promote an environment within which individuals/groups are encouraged to report adverse incidents promptly and openly.

## 7 **Future Monitoring**

7.1 **Review of Risk Management Strategy** - This Strategy will be reviewed annually.

## 8 **Conclusion**

The adoption of a sound risk management approach should achieve many benefits for the Council. It will assist in demonstrating that the Council is committed to continuous service improvement and effective corporate governance.

**RISK / PRIORITY INDICATOR KEY**

| SEVERITY (CONSEQUENCE)  |
|---|
| 1. Negligible (delay only)  |
| 2. Slight (minor injury / damage / interruption)                              |
| 3. Moderate (Lost time injury, illness, damage, lost business)                |
| 4. High (Major injury / damage, Lost time business interruption, disablement) |
| 5. Very High (Fatality / Business closure)                                    |

| LIKELIHOOD                    |
|-------------------------------|
| 1. Improbable / very unlikely |
| 2. Unlikely                   |
| 3. Even chance / may happen   |
| 4. Likely                     |
| 5. Almost certain / imminent  |

| RISK / PRIORITY INDICATOR MATRIX |   |                        |    |    |    |    |
|----------------------------------|---|------------------------|----|----|----|----|
| LIKELIHOOD                       | 5 | 5                      | 10 | 15 | 20 | 25 |
|                                  | 4 | 4                      | 8  | 12 | 16 | 20 |
|                                  | 3 | 3                      | 6  | 9  | 12 | 15 |
|                                  | 2 | 2                      | 4  | 6  | 8  | 10 |
|                                  | 1 | 1                      | 2  | 3  | 4  | 5  |
|                                  |   | 1                      | 2  | 3  | 4  | 5  |
|                                  |   | SEVERITY (CONSEQUENCE) |    |    |    |    |

| SUMMARY |        | SUGGESTED TIMEFRAME      |
|---------|--------|--------------------------|
| 12-25   | High   | As soon as possible      |
| 6-11    | Medium | Within next 3-6 months   |
| 1-5     | Low    | Whenever viable to do so |

## BANBURY TOWN COUNCIL - CORPORATE RISK REGISTER

| Risk No           | Risk Title   | Consequence   | Risk Owner/s  | Likelihood | Severity | Risk rating | Mitigation Actions   | Progress | Status |
|-------------------|--|---|---------------|------------|----------|-------------|--|----------|--------|
| <b>GOVERNANCE</b> |  |   |               |            |          |             |  |          |        |
| G1                | Failure to attract sufficient candidates for Member vacancies or elections | Reduced representation of neighbourhoods<br>Lack of member resource<br>Possible meeting inquorate | Members Clerk | 1          | 3        | 3           | -actively publicise Council activities<br>- publicise elections & vacancies on notice boards<br>- publicise elections & vacancies on social media and website  |          | G      |
| G2                | Failure to achieve quorum at meetings                                      | Business not transacted<br>Decisions not made   | Members Clerk | 1          | 4        | 4           | -issue annual meeting calendar to all members & website<br>- issue meeting agendas promptly<br>- record attendance<br>- Alternate Member scheme in place   |          | G      |
| G3                | Lack of public consultation by Council                                     | Decisions not based on evidence<br>People disenfranchised   | Members       | 3          | 2        | 6           | -ensure meetings publicised on notice boards & website<br>-use Annual Parish Meeting<br>- place articles in newsletters<br>- include public participation on all Council meeting agendas<br>- ensure seating available at meeting for public<br>- provide advice for members of the public attending<br>-publish agendas and minutes on website<br>-hold monthly Cllr surgery<br>- |          | A      |
| G4                | Failure to respond to electors wishing to exercise right of inspection     | Complaints received<br>Not transparent<br>Non compliance  | RFO           | 1          | 2        | 2           | -RFO to advertise facility, and respond to requests  |          | G      |

|     |   |   |                                |   |   |   |  |   |
|-----|---|---|--------------------------------|---|---|---|--|---|
| G5  | Members acting alone outside meetings                 | Members outside compliance<br>Indemnities invalid<br>Personal risk  | Members                        | 2 | 3 | 6 | - roles defined in Member/Officer Protocol<br>-Info pack for new cllrs to include 'Good Councillor Guide'<br>- members made aware to avoid making commitments on behalf of the council | A |
| G6  | Council decisions not implemented                     | Confidence undermined<br>Reputation risk arises<br>Possible losses  | Clerk                          | 1 | 4 | 4 | - Cttee Minutes considered at Council and next meeting;<br>- Internal Auditor reviews action   | G |
| G7  | Inaccurate, untimely, improper minutes                | Poor decisions in future<br>Poor evidence for decisions   | Clerk                          | 1 | 3 | 3 | -Minutes published to councillors and on website.  | G |
| G8  | Failure to recognise and address conflict of interest | Lack of transparency<br>Open to complaints of lack of fairness or bias                                    | Members<br>Clerk               | 1 | 3 | 3 | -Members to comply with Code of Conduct and SOs<br>- Clerk to offer advice outside of meetings   | G |
| G9  | Incomplete/inaccurate register of Members' interests  | Lack of transparency<br>Open to complaints of fairness or bias  | Members                        | 1 | 3 | 3 | - interests to be registered with MO within 28 days of election and kept up to date<br>- Forms published via Website   | G |
| G10 | Failure to complete/submit Annual Return on time      | Auditors report qualified<br>Public confidence suffers  | Clerk/RFO                      | 1 | 3 | 3 | -RFO to maintain diary note  | G |
| G11 | Improper contracting procedures                       | Possible losses<br>Poor levels of service<br>Possible increased costs                                     | Clerk/RFO/<br>Service Managers | 1 | 2 | 2 | -latest financial regulations to be enforced in all circumstances<br>-use of Contract finder website for over £25K   | G |
| G12 | Loss of data on PC due to system fault                | Interruption to effective administration<br>Possible financial loss<br>Information Commissioner sanctions | Clerk/DPO                      | 1 | 4 | 4 | -External hard-drive and UPS power supply installed<br>- Daily on site back up<br>- Daily Off site Cloud back up<br>- Antivirus software in place                                      | G |
| G13 | Loss of services of Town Clerk                        | Interruption to effective administration  | Members<br>Clerk               | 2 | 2 | 4 | - Deputy Town Clerk post in place.<br>- Locum assistance available via SLCC  | G |
| G15 | Lack of professional advice                           | Poor decisions<br>Costs and waste<br>Possible non-compliance  | Clerk                          | 1 | 2 | 2 | -Maintain membership of OALC and NALC<br>- Clerk member of SLCC<br>- budget for professional fees  | G |

|                   | <b>OBJECTIVES AND STRATEGY</b>                      |   |           |   |   |   |   |  |   |
|-------------------|---|---|-----------|---|---|---|---|--|---|
| OS1               | Lack of defined objectives or strategy              | Resources not directed<br>Poor performance management<br>Risks not base lined             | Members   | 1 | 3 | 3 | -Council sets Vision, Corporate and Key Service Objectives at start of each new administration  |  | G |
| OS2               | Failure to correctly identify local needs or wishes | Council does not represent the people<br>Resources not applied<br>Democratic deficit      | Members   | 2 | 3 | 6 | -Ward Cllrs maintain close contact with local residents<br>- use questionnaires to identify local wishes<br>- publicise plans and invite comments<br>- review local papers, especially correspondence sections<br>- use events to seek views and feedback<br>-hold Councillor surgeries     |  | A |
| OS3               | Lack of public participation at meetings            | Public voice not heard<br>Potential lack of interest in vacancies<br>Lack of transparency | Members   | 1 | 2 | 2 | -ensure meetings publicised on notice board and website for year ahead;<br>- include public participation on Council meeting agendas<br>- ensure seating available at meeting for public<br>- provide advice for members of the public attending<br>-publish agendas and minutes on website |  | G |
| <b>REPUTATION</b> |   |   |           |   |   |   |   |  |   |
| R1                | Allegations of libel or slander                     | Potential for litigation<br>Costs of investigation<br>Reduces confidence                  | Members   | 2 | 3 | 6 | -Clerk to intervene at meetings<br>-review all press releases or newsletter articles before release<br>- review insurance cover<br>- press protocol and social media policy in place  |  | A |
| <b>FINANCE</b>    |   |   |           |   |   |   |   |  |   |
| F1                | Accidental damage to fixed assets                   | Costs of repair<br>Loss of service until repaired   | Clerk/RFO | 2 | 2 | 4 | - Maintain insurance<br>- Playground inspection regime established.   |  | G |

|     |  |   |  |   |   |   |   |   |
|-----|--|---|--|---|---|---|---|---|
| F2  | Vandalism to fixed assets                    | Costs of repair<br>Loss of service until repaired                         | Clerk/RFO                                      | 3 | 2 | 6 | -Maintain inspection regime<br>-Maintain insurance<br>-Liaison with Police  | A |
| F3  | Loss to third parties                        | Possible litigation<br>Costs/damages                                      | Clerk/RFO                                      | 1 | 3 | 3 | -Review health & safety<br>-ensure adequate insurance<br>-check contractors insurance   | G |
| F4  | Inadequate insurance                         | Balance of costs to be found  | RFO  | 1 | 4 | 4 | -Council to review annually or if circumstances change  | G |
| F5  | Loss or damage to moveable assets            | Loss of heritage<br>Replacement costs                                     | Clerk  | 1 | 2 | 2 | Maces held in Museum unless required for ceremonial purposes  | G |
| F6  | Failure to calculate/submit precept on time  | Inadequate resources to meet commitments<br>Costs of re-billing           | Clerk/RFO                                      | 1 | 3 | 3 | - RFO to respond to CDC Council notices<br>-Timetable agenda item for Members providing sufficient time for additional meetings if required                     | G |
| F7  | Inadequate annual precept and unsound budget | Inadequate resources to meet commitments                                  | Clerk/RFO/<br>Members                          | 1 | 4 | 4 | - Members to build sound budget, using risk register and known commitments.<br>-Members to consider Reserves Policy   | G |
| F8  | Failure to account for and recover VAT       | Wasted resources  | RFO  | 1 | 3 | 3 | - RFO to review throughout year<br>- Internal auditor to check  | G |
| F9  | Failure to stay within agreed budgets        | Inadequate control<br>Potential wasted resources                          | Members<br>Clerk<br>RFO<br>Service<br>Managers | 1 | 2 | 2 | -All committees to review at each meeting<br>-Internal auditor to check<br>- 6+6 exercise undertaken<br>-Reserves Policy to mitigate short-term impact of loss. | G |
| F10 | Holding excessive or inadequate reserves     | Auditors report<br>Poor use of resources<br>Inability to meet commitments | Members<br>Clerk<br>RFO                        | 1 | 3 | 3 | -Clerk & RFO to review as part of budgeting<br>-Reserves Policy to set percentage of precept.<br>- Council to review size of Reserves                           | G |
| F11 | Fraud by Clerk/RFO                           | Reputation<br>Costs, Litigation   | Clerk/RFO                                      | 1 | 3 | 3 | -Adequate internal audit<br>-Regular reporting to members<br>-Control systems for managing  | G |

|                   |   |  |                         |   |   |   |  |  |   |
|-------------------|---|--|-------------------------|---|---|---|--|--|---|
|                   |   |  |                         |   |   |   | expenditure<br>- separation of roles   |  |   |
| F12               | Fraud by Members  | Reputation<br>Costs, Litigation                  | RFO                     | 1 | 3 | 3 | -Adequate internal audit<br>-Regular reporting to members<br>-Control systems for managing expenditure             |  | G |
| F13               | Illegal activity/payments                                 | Intervention by auditor with possible surcharge  | Clerk<br>RFO<br>Members | 1 | 3 | 3 | RFO involved in reports and advises on decisions<br>Payments checked by internal auditor                           |  | G |
| <b>COMPLIANCE</b> |   |  |                         |   |   |   |  |  |   |
| C1                | Inadequate awareness of relevant legislation              | Failure to comply                                | Members<br>Clerk        | 2 | 3 | 6 | -Maintain membership of OALC/NALC<br>-Clerk to attend committee meetings<br>- SLCC training attended               |  | A |
| C2                | Failure to comply with relevant legislation               | Litigation<br>Costs<br>Reputation damage         | Members<br>Clerk        | 2 | 3 | 6 | -Maintain membership of OALC/NALC<br>-Clerk to attend SLCC training<br>-Liaise with internal and external auditors |  | A |
| C3                | Failure to maintain fixed assets register                 | Improper control<br>Poor auditor's report        | RFO                     | 1 | 2 | 2 | -Council to review<br>-Internal audit to review  |  | G |
| C4                | Improper financial records                                | Potential for wasted resources                   | RFO                     | 1 | 2 | 2 | -Internal audit to review  |  | G |
| C5                | HMRC requirements not met                                 | Costs<br>Litigation                              | RFO                     | 1 | 3 | 3 | -RFO to liaise as necessary  |  | G |
| C6                | Failure to comply with deadlines for accounts and returns | Poor auditor's report<br>Reduction in confidence | RFO                     | 1 | 2 | 2 | - RFO to liaise with internal and external audit and ensure deadlines adhered to.                                  |  | G |
| C7                | Non-compliance with data protection                       | Litigation<br>Poor reputation                    | Members<br>Clerk/DPO    | 1 | 3 | 3 | -Clerk to monitor<br>- DPO nominated   |  | G |

## TREASURY MANAGEMENT POLICY

Banbury Town Council has a policy to aim for six months costs included in the annual precept to be held in reserves. This means that we regularly have appropriate surplus funds available and it is important that such funds are invested prudently with due regard to the Council's fiduciary responsibility to the Council Tax payers and to the priority for security and liquidity of those investments.

The Town Council is required by the Local Government Act 2003 to determine an annual Investment Strategy. This strategy must be approved by the full Council but may be varied from time to time as circumstances dictate. The Strategy will be a public document as defined by the Freedom of Information Act 2000.

### Investment Strategy

All of the Town Council's investments will be Specified Investments which means that:

- a) All investments will be made in sterling and any payments or repayments will also be made in sterling, with UK registered institutions only.
- b) All investments will be short term investments not to exceed 12 month.
- c) All investments will be made with a body or an investment scheme which has been awarded a high credit rating by a credit rating agency
- d) A credit rating agency will be taken as one of the following

Standard and Poor's  
Moody's Investors Services Ltd  
Fitch Ratings Ltd

- e) Investments will remain in the UK mainland and will not invest in schemes that seek to avoid tax.

A high credit rating will be defined as 'A' 'High Credit Quality', referring to the Long Term grade issued in relation to an institution.

Credit ratings will be monitored regularly and if the rating falls consideration will be given at the next Council meeting of the appropriate action to be taken.

### External Borrowing

No borrowing approval is required for temporary loans or borrowing by way of an overdraft. However in order to borrow to fund capital expenditure approval must first be given by the Department for Communities and Local Government. The process to be followed and the criteria applied in deciding whether or not approval should be forthcoming are detailed in the Guide to Parish and Town Council Borrowing in England jointly published by the Department and NALC

### Current External Borrowing

The Council repaid all outstanding external loans within the year ending 31 March 2012. The Council does not anticipate any further external borrowing to be undertaken during 2021/22.