BAMPTON TOWN COUNCIL

ANNUAL BUSINESS RISK ASSESSMENT

IN CONJUNCTION WITH THE

GOVERNANCE AND ACCOUNTABILITY IN LOCAL COUNCILS IN ENGLAND PRACTITIONERS GUIDE (MARCH 2025)

PREPARED BY THE RESPONSIBLE FINANCIAL OFFICER

Adopted 7th April 2025 (Item 16.4).

BAMPTON TOWN COUNCIL

Business Risk Assessment

This risk assessment is a systematic general examination of financial controls, business risk, working conditions, activities carried out by the clerk, councillors and volunteers and environmental factors that will enable the council to identify any potential risks inherent in its activities and operations. Based on a recorded assessment, the council should then take all necessary steps to eliminate or, where this is not possible reduce the risks, insofar as is reasonably practicable to do so.

This document has been produced to enable the Town Council to assess the financial, management and other business risks that it faces and to satisfy itself and others that it has taken adequate steps to control them. In conducting this exercise, the following plan was followed:

- Identify the areas to be reviewed
- Identify the risks and determine the likelihood and severity
- Eliminate risks where possible by and implement appropriate risk control strategies to manage the residual risks
- Record all findings, regularly monitor and review as necessary

L = Likelihood   S = Severity

Risk Title	Cause and Effect	Inherent Risk Score	Management of Risk	Residual Risk Score	Any Further Action or Comment
1. Financial					
Inadequate Precept to cover payments Risk Owner: Clerk/RFO & Council	Cause: Inadequate Precept requested Effect: Council is not able to meet requirements of existing financial commitments	L3 X S4=12	The Clerk/RFO will present a draft budget to the Finance Committee in December which will include all the forecast expenditure. The Finance Committee will review the draft budget and consider any projects the Council and its Committees wish to see implemented in the forthcoming year and any anticipated income.	L1 x S1= 2	

			The draft budget will be circulated to all councillors and the Precept will be agreed at a meeting in January.		
No Precept received Risk owner: Clerk/RFO	Cause: Precept requirements not submitted to Mid Devon District Council Effect: Council unable to meet commitments	L2 X S4= 8	The Clerk/RFO makes submitting the request form a priority after the meeting and asks for confirmation that the form has been received.	L1 x S1 = 1	
The Precept is used before the end of the financial year Risk owner: Clerk/RFO and Council	Cause: Insufficient monitoring of spending compared to budget. Effect: The Council cannot meet financial demands	L3 X S4= 12	Spending against budget is reviewed on a quarterly basis. Action is taken if spending is anticipated to exceed budget. Any proposed spending not included in the budget is discussed at a Council meeting and it is decided whether it can be afforded and how it can be paid ie from reserves. No commitment is made for any expenditure that relies on grant funding until the funds have been received by the Council.	L1 x S1=1	
Incorrect payment of Invoices	Cause: • Incorrect amounts shown on bank payments set up for authorisation	L2 X S3=6	Two councillors authorise online payments and both receive scanned copies of invoices and the Payment Authorisation sheet presented to councillors	L1 x S1-1	

	• Payment set up to wrong person or business, • Incorrect amount shown on cheque or cheque made payable to wrong person or business. Effect: • If a person or business is overpaid a repayment has to be requested and there is a risk of it not being repaid. • Additional work created		Two signatures required on any cheque, both signatories checks the invoice against the amount on the cheque and initial cheque stub and invoice if correct		
Payments made late or missed resulting in the council being possibly subjected to penalty charges Risk owner: Clerk/RFO	Cause: invoices received between meetings or not presented for payment at a meeting Effect: • Council incurs an additional cost. • Possible effect on Council's credit rating	L2 X S3=6	The Clerk checks terms on invoice to see if there are any penalties for late payment or discounts for early payments. The Clerk has delegated authority to authorise the payment of items if a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled meeting of council. The payment is reported at the next Council meeting.	L1 x S1=1	

			The Clerk has a system to record invoices when they are received and they are added to a payment list for the next meeting		
Cash Risk owner: Clerk/RFO and Council	Cause: loss through theft, dishonesty or physical loss. Effect: • financial loss to the Council • Personal injury	L2 x S8	The Council has no petty cash. Cash from the car park and toilets is collected on a regular basis before it is a large amount. It is banked at the Post Office on receipt by a nominated councillor and the Clerk/RFO is notified of the amount. Receipts on the day of the Charter Fair, at any other Council event or for Christmas trees are wherever possible collected using a Sum IT machine. Any large amounts of cash are counted by more than 1 person. Personal safety is considered and precautions taken when emptying the donation box for the toilet and car park and if taking cash, particularly a large amount, to the Post Office. The Councillor taking the money to the Post Office ensures she is accompanied by another person.	L1 x S2=2	
Breakdown of internal Controls	Cause: Financial Regulations are not being adhered to leading to a	L2 x S4=8	Financial Regulations are reviewed on a regular basis and all councillors understand the agreed	L1 x S1=1	

Risk owner: Clerk/RFO and Council	possible breakdown in the financial controls of the Council Effect: • More risk of fraud • Risk of spending more than the budget The Council cannot answer yes to some of the boxes on the Annual Governance Statement		procedures and the importance of following them. New councillors are given a copy of the Financial Regulations. The Clerk makes councillors aware when correct procedures are not being followed.		
Financial reports are incorrect Risk owner: Clerk/RFO and Council	Cause: Financial Report does not reconcile with bank statement and there are inaccuracies. Effect: • More risk of fraud • Risk of over/under spending • Increased audit costs • Council does not achieve its aims	L3 x S4=12	The Clerk/RFO and Council agree a robust system of financial reporting. Financial documents are prepared on a monthly basis, including a bank reconciliation, and discussed at a Council meeting. A councillor checks and signs the bank reconciliations monthly. This councillor is not a signatory for the Council's bank accounts.	L1 x S1=1	
Unauthorised expenditure and/or controls for making payments not followed	Cause: • Councillor commits council to an expenditure not authorised by council or Clerk/RFO	L3 x S4=12	Procedures for payment are set out in the Financial Regulations agreed by the Council. These are adapted from the NALC Model Financial Regulations.	L1 x S1=1	

Risk owner: Clerk/RFO and Council	• Payments are made without the authorisation of the Council. Effect: • More risk of fraud • Risk of not keeping to the budget and over spending • Poor audit report		Four councillors are agreed as signatories and two of them are required to sign cheques or authorise online payments set up by the Clerk/RFO. Authority is removed when a signatory or Clerk/RFO leaves the Council.		
Council loses data and documentation Risk owner: Clerk/RFO.	Cause: Data is lost due to software or hardware failure Effect: • Financial information is lost • Additional work created for Clerk/RFO	L3 x S3=9	System is backed up on a regular basis to a secure cloud storage system on an ongoing basis. Copies of agendas, minutes and statutory documents are stored on the website. Reports are emailed to councillors and can be retrieved.	L1 x S1=1	
Incorrect payment of salary Risk owner: Clerk/RFO	Cause: • Clerk/RFO's hours and rates of pay not adhered to. • Inaccuracies Effect: • The Clerk/RFO could be over or under paid. • Misunderstanding over work above contracted hours	L3 x S3=9	The only paid employee is the Clerk/RFO. The Clerk is paid monthly (plus any expenses). The Spinal Column Point (NALC/SLCC scales) for the Clerk/RFO is agreed by the Council and hours are included on Contract of Employment. There is a clear procedure for agreeing payment for hours worked over contracted hours.	L1 x S1=1	

	• Possibility of fraud		Payment is authorised by the Council/RFO monthly. Increases to pay are authorised by the Council. Payslips are checked by bank signatories. The Internal auditor checks that the Clerk/RFO is paid at the correct rate, for the correct hours and that deductions are properly administered.		
HMRC requirements not met Risk owner: Clerk	Cause: Failure to account for PAYE & NI and make monthly payments to HMRC or inform them that there is no liability Effect: financial penalties	L3 x S3=9	HM Revenue & Customs Basic PAYE Tools is used to process the Clerk/RFO's pay and calculate PAYE. PAYE is paid to HM Revenue & Customs at the same time as the Clerk is paid.	L1 x S1=1	
Loss of insurance Cover Risk owner: Clerk/RFO and Council	Cause: failure to renew insurance or keep cover up to date. Effect: The Council has no cover and there is a risk it might be sued	L3 x S4=12	The Clerk/RFO checks the policy annually in April to ensure adequate cover is maintained. Employer's liability, public liability and fidelity are a statutory requirement. Unless the Council is in a long term agreement quotes are obtained and reported to Council to ensure it is obtaining best value. A report is made to the Council meeting and provider agreed. Payment is made with monthly payments for May.	L1 x S1=1	

AGAR (annual return) and Transparency Code requirements not followed Risk owner: ClerkRFO	Cause: AGAR not completed on time and publication requirements not met. Effect: • Additional costs for the Council if the External Auditor has to contact the Council to get paperwork • Parishioners are denied their rights	L3 x S4=12	The Clerk/RFO prepares the annual return as soon as possible after year end and arranges for an internal audit to be carried out before presenting to Council for approval within the designated timescales. Once approved the relevant documents are published on the website. The Clerk ensures the deadlines for submitting paperwork to the External Auditor are met.	L1 x S1=1	
2. **Business Continuity**					
Risks to the working of the Council Risk owner: Clerk/RFO and Council	Cause: • Loss of Clerk/FO due to illness, accident or resignation at short notice. • loss of documents due to fire, flood or they are unavailable due to the Clerk/RFO being incapacitated • Resignation or death of councillor Effect: The Council struggles to function effectively	L3 x S4=12	Documents are stored on the Council's laptop and are always backed up to a secure cloud storage facility. Important documents are scanned and stored on secure cloud storage in addition to the paper copy. Microsoft Teams is being developed to store and share important document. The Chair has access to the Council's email account.	L2 x S2=4	

			Admin login details for the Council websites and the domain names/hosting service are held by the Clerk/RFO and a councillor. Short term absence of Clerk/RFO is covered by Councillors. Loss or long-term incapacity of Clerk/RFO would be covered by the appointment of a Locum Clerk. The Society of Local Council Clerks have details of locum clerks. In the event the Clerk is unable to work the laptop can be handed to the Chair. The password protected laptop holds details of the log ins and passwords that the Clerk/RFO uses to conduct the business of the Council. The Chair knows the password for the laptop.		
The Council's website does not meet accessibility requirements Risk owner: Any councillor with responsibility for the website and the Clerk/RFO	Cause: • Person publishing information on the website is not aware of the requirements • Some statutory documents that have to be published on the website to meet the Transparency Regulations have to be scanned and don't	L3 x S3=9	The website is built by someone who has knowledge of Council accessibility requirements. All changes to the website are made by someone who has received accessibility and GDPR training. Documents are checked for accessibility before they are published. An accessibility statement has been produced and published. There are some documents that	L1 x S1=1	

	meet accessibility standards. Effect: • People with disabilities struggle to access or cannot access information about the Council. • Breach of the Equality Act 2010 and the Disability Discrimination Act 1995. • Possible enforcement of the regulations, by the Equality and Human Rights Commission (EHRC).		are required to be published that do not meet accessibility requirements and that is explained in the statement. The website is backed up regularly.		
3. Health & Safety					
Accident because Risk Assessment not produced Risk owner: Clerk/RFO and Council	Cause: Failure to carry out suitable and sufficient risk assessment and ensure that corrective actions are dealt with within agreed timeframes. Effect: • Risk of injury or worse and claim against the Council	L3 x S5=15	Risk assessments carried out for any Council responsibilities or activities organised by the Council. Regular review of Business Risk Assessment and Open Spaces Risk Assessment is undertaken by the Clerk/RFO and Council	L1 x S2=2	

Risks from Clerk/RFO (Council employee) providing office facilities/working at home and lone working Risk owner: Clerk/RFO	Cause: • The Council does not provide office facilities and the Clerk works from home on a permanent basis. • A member of the public asks to meet with the clerk and/or to view Council documents Effect: • Risk of workplace injury or conditions caused by incorrect seating or screen use • Abuse by member of the public • Member of the public has an accident	L2 x S4=6	No office is provided by the council and the Clerk/RFO accepts that working from home is a condition of the job. The Clerk/RFO ensures that health and safety guidance is followed whilst working at home for the Council and a checklist has been completed and is reviewed on a regular basis. There is no expectation for members of the public to visit the Clerk/RFO's office so there is no risk of accidents to members of the public. Most communication takes place by phone. email or online meeting but if the Clerk /RFO needs to meet anyone outside of the office personal safety will be taken into account and any government guidance will be adhered too.	L1 x S1=1	
Possible claim by staff due to poor workstation ergonomics Display Screen Equipment Risk owner: Council and Clerk	Cause • Display Screen Equipment Regulations not followed Effect: • Clerk experiences headaches, physical discomfort or repetitive strain injury	L1 x S3=3	Clerk is trained and carries out Individual risk assessment of work station as necessary, in line with Display Screen Equipment Regulations	L1 x S1=1	

	• Possible claim against the Council				
Risk to personal safety of Clerk/RFO, councillor or volunteer working on behalf of the Council in a lone working situation Risk owner: Clerk /RFOand Council	Cause: • Accident with no help nearby • assault on person Effect: injury or death	L2 x S4=8	Person to make sure someone knows where they are working and how long they are expected to be and to carry a mobile phone. One person meeting with members of the public who are not known should be avoided whenever possible unless other people are close by. Meetings should not be at the Clerk/RFO or Councillor's home if that can be avoided. Advice is that two people should go on visits whenever possible. Where not possible the person making a visit should inform someone where they are going and how long they are likely to be. That person should carry a mobile phone.	L1 x S1=1	
Injury or accident while using the Play Area & Playing Field Risk owner: Council & Councillor carrying out	Cause: • Injury is incurred due to faulty or damaged play equipment, safety surfacing, fencing, seating or litter bins. • Injury is caused by a contractor working on the field.	L3 x S4=12	An annual inspection of the play equipment and site is carried out by a qualified person. The Council discusses the report and acts on any advice in the recommended time frame. A weekly inspection is carried out on behalf of the Council and is recorded on a signed report which is held by the Council for 21 years. Any matters of concern are	L2 x S4=4	

regular inspections	Effect: Injury or death		noted on the report and reported to the Clerk. The Clerk authorises appropriate action to deal with the concern in an appropriate time frame. A report is made to the next Council meeting. Anyone carrying out work on the equipment is competent. Any person or organisation using the playing field for an event has to obtain the written permission of the Council and provide a copy of their public liability insurance. The Council reserves the right to ask for the amount to be increased if it is felt to be inadequate. Risk Assessments need to be carried out. The Council checks that contractors carrying out work on the field are competent, have a risk assessment and have adequate public liability insurance. A copy is kept on file.		
Personal injury claims against the Council Risk owner: Council & Councillor carrying out inspections	Cause: • Councillor or volunteer makes a claim for injuries incurred while carrying out duties/work on behalf of the Council. • Person makes a claim as a result of injuries	L2 X S4=8	A risk assessment is carried out before any duty/ work is carried out. The Council ensures that the person is competent for the task and has received training if required. PPE equipment is supplied if necessary. First aid equipment to be provided and kept	L1 x S1=1	

	caused by work carried out by a Councillor or volunteer. Effect: injury, possibly serious.		on site when work is being carried out. Warning signs and barriers are used when necessary. The Council ensures that it's Employer's Liability insurance cover is adequate and volunteers are covered. A list of volunteers and their details is kept by the Clerk. The Council ensures that it's Public Liability insurance is adequate.		
Contractor employed by the Council causes an accident Risk owner: Clerk and Council	Cause: An accident occurs when a contractor has been contracted by the Council to carry out work on its behalf Effect: Injury or death	L2 x S4=8	Ensure the contractor (including employees) is competent to carry out the work they have been contracted to carry out and, if necessary, the relevant qualifications. Ensure they have adequate public liability and employer's liability insurance to the work they are contracted to do. Ensure risk assessments are carried out before the work is started. Ensure warning signage will be displayed when necessary.	L1 x S2=2	
4. Legal					
Libel claim from correspondence or social media	Cause: • As a result of correspondence or posts on social media or posts on social media a member of	L1 x S3=6	Letters should normally be written by officers who are insured against such issues	L1 x S1=1	

Risk owner: Clerk/RFO & Council	the public makes a claim for damages against the council. • As a result of comments on social media a member of the public make a claim for damages against the council Effect: libel claim		A Communications Policy is agreed by the Council and followed by the Clerk/RFO and councillors.		
The Council acts beyond its legal powers or Councillors might contravene regulations. Risk owner; Clerk/RFO and Council	Cause: • The Council makes an unlawful decision or one in which they had no power to do so. Effect: • The Council would have to put a 'No' response in Box 3 of the Annual Governance Statement and provide an explanation • The Council could be held to account by parishioners • The Council could be held to account by the External Auditor and	L1 x S4=4	Clerk to ensure, as far as possible, that legislation permits action. Where there is doubt, no action is taken until professional advice is provided in writing or by email. The Council is a member of SALC and receives advice on legislation changes. The Council has Standing Orders, Financial Regulations and a Code of Conduct which are regularly reviewed. Continued Professional Development of the Clerk The Clerk provides councillors with details of SALC training courses.	L1 x S1=1	

	there would be a cost implication. • Councillor reported to the Monitoring Officer				
Council fails to follow Contracts and Best Value Principles Risk owner: Clerk and Council	Cause: The Council fails to follow procedures contained in Financial Regulations, regulations on advertising contracts, Procurement Policy 2023 or within the principles laid down for Best Value Effect: • The Council could be held to account by parishioners. • The Council could be held to account by the External Auditor and there would be a cost implication.	L1 x S4=4	Prior to any negotiations taking place that involves new, or the renewal of contracts, the financial Regulations appertaining to contracts should be read and guidance followed. The council should, as far as possible, follow the principles of best value in all its purchases. In doing this it is understood that there will be certain specialist services where the full principles of best value cannot be adhered to. Such instances should be noted in the minutes with the reasons clearly given.	L1 x S1=1	
Council exceeds maximum amount per elector on a payment permitted under Section 137 LGA 1972	Cause: Council unaware that Section 137 payments are subject to a maximum amount per elector which cannot be exceeded Effect:	L1 x S4=4	Clerk/RFO to ensure that the Section 137 limit is not exceeded	L1 x S1=1	

Risk owner: Clerk	• Council held to account by parishioners Council held to account by External Auditors and there is a cost implication				
Non-compliance with requests for information Risk owner: Clerk/RFO	Cause: failure to comply with a request for information or a Subject Access Request (SRA) or failure to provide in the required time frame. Additional work for the Clerk/RFO Effect: the Council is reported to the Information Commissions Office (ICO) and could receive a fine. The Clerk/RFO could claim for additional hours.	L2 x S2-4	The Council has the Model Publication Scheme for local councils in place which states how information is provided and any costs The Clerk/RFO is aware of the deadlines for providing information The Clerk and Councillors delete all unnecessary files and emails regularly. The Clerk submits a request to be paid for additional hours if the request requires many hours of additional work.	L1 x S1=2	
Data breach by Clerk/RFO or Councillors Risk owner: Clerk/RFO and Councillors	Cause: failure to comply with GDPR and the Data Protection Act 2018 Effect: • Council is reported to the ICO with possible penalty • Additional work created for clerk and councillors	L2 x S3=6	Audit of data held by the Council carried out to identify areas of risk and procedures put in place. Data Protection Policy, Privacy Statements and Consent Forms agreed. Clerk/RFO has received training about GDPR and checks regularly for legislation updates. Councillors briefed about GDPR	L1 x S1=1	

			The Clerk and Councillors have email addresses that are used solely for Council business.		
Councillors Propriety					
Failure to follow the Code of Conduct Risk owner: Councillors	Cause: Councillors fail to declare an interest. Non-compliance with the Code of Conduct. Effect: complaint is made to the Monitoring Officer	L2 x L3=6	The Council regularly reviews its Code of Conduct. Councillors are given a copy of the Code of Conduct when they are elected or apply to be co-opted. All Councillors agree to comply with the Code of Conduct when they sign their Acceptance of Office Form. All Councillors complete a Register of Interests Form and return to MDDC within 28 days of becoming a councillor. They are reminded of the need to inform MDDC if there are any changes. Councillors are reminded at the start of each meeting to declare any interests and should declare them then or at any point in the meeting when they become aware they have one. Councillors follow the Council's Standing Orders, Financial Orders and Civility and Respect Policy.	L1 x S1+2	