

NANTYGLO & BLAINA TOWN COUNCIL – CYNGOR TREF NANT - Y-GLO A BLAENAU

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Mrs T Hughes – Town Clerk / RFO Mrs N Horner – Assistant Officer

Risk Management Policy

This Risk Management Policy was revised and adopted by the Council
At its Meeting held on 27th February 2024

Signed by:



Cllr K Jenkins

Town Mayor / Chairman

RISK MANAGEMENT POLICY – 2024/25

1. INTRODUCTION

- 1.1 The recognition and management of risk is vital to ensure the proper management of the Council's assets and resources and efficient discharge of its duties and responsibilities to the community. Risk assessment is a continuous process which the Council needs to keep under review and ensure continuous monitoring.
- 1.2 The Practitioner's Guide on Governance and Accountability requires Councils to identify risks which it faces and put in place a scheme designed to create the necessary awareness and actions required to reduce the threat or possibility of an action or event that can impact on the interests of the Council and in turn the community it serves.
- 1.3 Risk management is not a process which seeks to avoid risk completely, but it seeks to identify and assess risks on an individual basis by using a scoring methodology which identifies the severity of risk, the likelihood of it occurring and the impact if the risk was realised. Although each risk will have a different score rating, each of the risks will require an assessment of actions needed to minimise the risk.
- 1.4 The Plan which is appended to this policy identifies each of the risks that are considered to require attention as the impact of each on the Council would be of concern and in some cases could be extremely serious.
- 1.5 The Plan forms part of the internal control arrangements of the Council and will be used as part of the process of audit by the Council's Internal Auditor.
- 1.6 In most of the identified areas of risk the Council's insurance arrangements will apply such as in relation to public liability, employer liability, loss of money, fidelity guarantee, property damage, official's indemnity and loss or damage to equipment. The Council's insurers do however require the Council to adopt a process of risk management so that the exposure to insured risks are minimised.
- 1.7 An annual review of the plan in conjunction with the Council's insurance arrangements will be undertaken at an appropriate date.

2. **ASSESSMENT CRITERIA:**

2.1 Rating and Classification of Risks

The rating and classification that is used in the Plan is as follows:

a) **Rating**

Potential Consequence Score: 1-5

Likelihood of Happening Score: 1-5

Severity Level Score: Potential Consequence x Likelihood

b) **Classification**

1-5 Low

6-10 Medium

11-15 High

16-25 Very High

RISK MANAGEMENT PLAN

Risk Item	Risk Identified	Potential Consequence	Likelihood	Severity Score	Classification	Measures to be taken to reduce, minimise or control risk
Precept	Not submitted by Clerk Inadequacy of the Precept	5 5	1 1	5 5	Low Low	Established budget process in place with Finance Committee considering the draft budget and precept in January of each year. Clerk/RFO to notify the County Borough Council of precept in January each Year. Financial Comparison reports to be considered by the Finance Committee every quarter enabling it to assess income and expenditure against budget headings. Bank reconciliation reports to be presented to the Council on a quarterly basis as an additional method of Councillors assessing the state of the Council's finances.
Loss of Money	Loss due to Fraudulent action By employees	5	1	5	Low	All cheques signed by two Councillors against invoices. All online payments processed by Clerk/RFO and approved by Clerk/RFO & Leader of the Council. All expenditure approved by Council and accounts subject to internal audit and Council scrutiny. Budget monitoring reports are submitted to council on a regular basis as are bank reconciliations. An effective internal auditor also helps to further minimise any such risk.
Investment Income	Loss of income due to type of investment made.	5	1	5	Low	Council's Investment Strategy to be reviewed every January. Focus on investments to be based on stability and liquidity rather than an over focus on investment gain.
Reserves General	Inability to manage any unforeseen occurrences due to lack of cash flow.	4	1	4	Low	Council policy to maintain general reserves of between 3 and 12 month's annual budget Levels of reserves reported to Council for consideration 3 times per year.
Reserves Earmarked	Lack of availability of funding to meet planned commitments.	5	1	5	Low	Annual budgeting process to designate earmarked funding requirement and allocated sums to be preserved through having an adequate level of un-earmarked Levels of reserves reported to Council for consideration 3 times per year.
Supplier risk	Supplier fraud is not covered by most insurance policies.	4	2	8	Medium	Council does not pay numerous suppliers and all such details are checked on each invoice and all suppliers are checked periodically. When payments are made online, bank automatically checks recipients' pay details are correct. Whilst some payments are still made by cheque; no payments are ever made by cash.
Legal Powers legislative	Council acting Beyond its powers e.g. ultra vires	5	1	5	Low	All decisions of the Council to be supported by the legal source of the power that is relevant. Advice of the Clerk/RFO to be available at all times. Council also has current membership of both One Voice Wales & Society of Local Council Clerks which provide help & advice if required. Clerk/RFO has advanced qualification and in excess of 30 years professional local government experience.
Salaries and Wages	Salaries and wages are paid at incorrect rates Income Tax and NI not deducted and/or not paid to HMRC	5 5	1 1	5 5	Low Low	All wages and salary levels to be determined annually and recorded in the minutes. Internal Auditor requested to check that correct rates are being paid. Established payroll/accountant (independent of Council) used to process salary and wages payments and Clerk/RFO to deduct Tax/NI & pay to HMRC by due dates. Finance Committee to monitor salary and wages payments in accordance with budget.

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Recovery of VAT	VAT not recovered from the HMRC	4	1	4	Low	Clerk/RFO to make claim for reimbursement on an annual basis. Finance Committee to monitor receipt of VAT and Internal Auditor to check claims have been made as appropriate. Payment reported to Finance Committee.
Payment of Grants	Appropriate approved grant claims not submitted.	4	1	4	Low	Finance Committee/Full Council consider & resolve applications in line with Council policy. Clerk/RFO responsible for processing & paying grant applications.
Councillors Allowances	Allowances not paid in accordance with The IRPW's scheme	4	1	4	Low	Full Council/Finance Committee to consider and resolve IRPW annual reports as appropriate. Clerk/RFO to ensure that all claims are appropriately submitted with Councillors being required to complete claim forms supported by receipts as appropriate.
Economic	Loss of investment or resources	5	3	15	High	NBTC has a loan payable to PWLB for the purchase of Salem chapel (grade II listed) and the main economic risk is the insurance, running & maintenance costs. NBTC is only too aware of the serious financial risk associated with the building due to the discovery of dry rot & other repairs required. NBTC are in the process of clarifying the legal situation with the chapel &, due to the issues and serious financial risk posed by the chapel, have resolved to sell the Chapel when legally possible thereby eliminating the serious financial risk. All actions taken (or to be taken), are done so following all appropriate specialist advice.
Training of Councillors & Code of Conduct	Councillors do not have the necessary skills and knowledge to perform their roles.	4	2	8	Medium	Council to have an annual training budget and training plan and all Councillors be required to commit themselves to appropriate training. Members to be trained in the Code of Conduct. All declarations to be completed using designated form & the declaration of interests is to be published on the Council's website.
Fire	Fire risk to Council Property & Assets (Inc Salem Chapel)	5	2	10	Medium	Threat of fire is always present be it accidental or deliberate. Most assets are held at the Council Offices (Blaina Institute) & the loss of accommodation is also a real risk. Council also owns Salem Chapel (High Street) which is at increased risk due to being unoccupied. Fire alarm systems, smoke alarms and smoking is forbidden within the buildings mean that accidental fires are unlikely. Blaenau Gwent CBC & Blaina Community Institute have responsibility for Blaina Institute. Fire doors are fitted where required & all members, staff and visitors are informed of the fire procedures & emergency exits. A legal user agreement with BGCBC is in place re: BGCBC must provide the Council with suitable accommodation in an emergency. Appropriate insurance is in place & is reviewed annually.
Security	Security risk to Council offices & Salem Chapel	5	3	15	High	Security of the building in which the Council offices are located is the Responsibility of BGCBC & Blaina Community Institute Committee Ltd. Coded security locks are on all doors & is used during periods of lone working. All doors are lockable and secured. The offices are situated upstairs in the building, which is used by other organisations. Insurance is as detailed above. There is some CCTV to the front of the building. Security of Salem Chapel will always pose more of a risk as it is located within the main street & is unoccupied. An intruder alarm is in

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Availability of officers	Main issue concerns Any long term Absence of the Clerk	5	2	10	Medium	operation & its central position ensures that it is not isolated. The Chapel is inspected on a weekly basis by the Town Clerk & Assistant Officer. Following a period of staffing issues (2016/17), the Council now has two part time officers which reduce possible staffing issues. The appointment of the additional officer Ensures that the Council's statutory duties and events are less affected by illness/ annual leave.
Professional/ Managerial	NBTC officers Providing incorrect Advice or failure to Carry out legal and/ Or statutory functions	5	1	5	Low	Legislative changes & increased activity could increase possible risk as is the failure to keep proper financial accounts. Such risks are reduced by the Town Clerk /RFO holding the specific advanced qualification in addition to numerous other Appropriate qualifications & having 35 years' experience in local government. NBTC Is a member of One Voice Wales & Society of Local Clerks which provides updated Legislative advice & guidance. Historical staffing issues have been resolved by the Appointment of the Assistant Officer. The appointment of an experienced internal Auditor further mitigates any such risk.
Litter Picks	Injury to Councillors And volunteers Involved in litter picks	5	2	10	Medium	Public liability insurance in place. Marshall appointed to supervise volunteers. Provision of litter pickers, gloves etc. and volunteers required to wear appropriate footwear. Warnings given about picking up glass and awareness of needle stick injuries.
Data Protection	Compliance with Data Protection Act 2018 And General Data Protection Regulation	5	2	10	Medium	Ensure that all aspects of compliance are completed. That Data Protection principles are observed and data retention policy is implemented.
Information Security	Important Council Information held In hard copy and On computer is Lost or damaged.	5	2	10	Medium	Important hard copy data is stored in a locked metal cupboard the Council Offices. Data held on computer is continually backed up and secured by Orbits IT (Council's IT provider).
Technological	Failure or theft of Computer system Resulting in loss of Files & information	5	2	10	Medium	All IT equipment is kept in a locked office within a secured and alarmed building. All software & hardware are professionally supplied, installed & updated. NBTC has an appointed IT provider which ensures that NBTC's files, emails and IT system are secured, protected, and backed up in addition to providing ongoing IT support & advice. The updated system & equipment ensures that officers can work from home if required.
Financial Records	Financial Records Are lost or Damaged.	5	2	10	Medium	Financial records are audited annually, and files and the cashbook are then held in a suitable lockable cupboard in the Council Offices. All electronic data is held on computer and is continually backed up and secured by Orbits IT (Council's IT provider).
Health and Safety Assessments/ Council	Activities of the Council are not Risk assessed and Arrangements	5	2	10	Medium	Town Clerk & Assistant Officer prepare risk & Monitor risk assessments of all events arranged by the Council and report any issues/breaches to Council. The Council also has appropriate insurance which includes Salem Chapel & public liability which is reviewed yearly. Salem Chapel is currently closed to the public due to

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Liability & Salem Chapel	monitored.					dry rot. The Chapel is inspected weekly & reported to Council monthly. Members & volunteers of the Town Council are covered by the Council's insurance for 'low level' litter picking, maintenance of planters& outdoor events subject to a risk assessment.
Health & Safety Salem Chapel	Parts of floor Removed & uneven. Physical condition of The building due to Dry rot.	5	3	15	High	The Chapel is closed to public & only the Town Clerk & authorised maintenance personnel (R Dunham & Churches Fire) can access the building for those reasons (they are aware & updated of the possible risks regularly. Officers ensure that they do not inspect or enter the Chapel alone. Weekly inspections undertaken & reported to Council monthly. NBTC acknowledges the risks associated with owning the building.
Health & Safety – Town Council offices	Legislative Responsibilities & the Town Council's duty Of care to employees Members & visitors					The physical condition of the offices (inc fire & security) is managed by Blaina Community Institute Ltd (BCIL) & BGCBC. PAT testing & all other testing is the responsibility of BCIL. An accident book & first aid kit is located in the Clerk's office. H & S requirements are adhered to, and sensible precautions are taken by staff during periods of lone working (risk reduced with appointment of the assistant officer.
Serious public Health risk (inc Covid)	In 2020 21 Covid affected the way the Council functioned	5	3	15	High	Following Covid in 2020/21, NBTC adapted its working practices to ensure that all Relevant legislation was adhered to & that the health & safety of staff, members & Users were safeguarded. Installation of IT & appropriate use of hybrid meetings, online banking ensures that financial & procedural disruption is minimised. Such risks are often unpredictable and NBTC will continue to follow all appropriate advice, best practice & legislation.
Social risks	Damage to NBTC Reputation on social Media etc.	4	4	16	Very High	Widespread use of social media means that this will always be classed as high risk. Many individuals &/or groups freely comment (often inaccurately) on social media Which can often portray NBTC in a bad light. The adoption by NBTC of 'Social Media: A guide for Councillors can help mitigate the risk as can appropriate training NBTC needs to be visibly pro-active in the community at all times, acting in the best interests & representing the community & positively promoting NBTC. A managed social media presence e.g. Facebook can also help with this although extreme care is required, as this can act as a 'double-edged' sword for NBTC.
Customer/ Citizen	Not informing the Local community/ Electorate of Necessary informatio	5	4	15	Very High	NBTC's website complies with all relevant legislation and is regularly updated to Ensure that it contains all the necessary (& other) information required including NBTC contact information. Public consultations also help to mitigate any such risks. NBTC is aware that the electorate can take part in a referendum to abolish NBTC & Takes this risk very seriously.
Disability Discrimination	Council's facilities Are not compliant With the legislative Requirements.	5	2	10	Medium	The Council Offices are located on the 1 st floor of the building which is serviced by a lift (BCIL/BGCBC are responsible for the upkeep of the lift). Meetings of the council can be Attended either in person, online or by conference call from a mobile phone or landline.
Welsh Language Act	The Council fails To comply with the Act.	4	2	8	Medium	Council provides Welsh titles on documents as required and is able to provide its communication arrangements through the medium of Welsh (via Town Council contacts) if requested. It is noted that such a request has not been received, possibly due to low levels of Welsh spoken in the local community.

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Environmental	All NBTC actions etc Are scrutinised & it Needs to be as Environmentally Friendly as possible	4	2	8	Medium	NBTC maintains policies which comply with both current & new regulations. NBTC has increased the number of flower planters throughout the community along with a Butterfly garden in each area. Members of NBTC are pro-active in undertaking litter picks and weed clearing. Each year, NBTC continues to renew old style Xmas lights to more energy efficient LED lights. NBTC also recycles as much as possible. NBTC's bio-diversity plan/report is also updated annually.
Legal Claims	Claims made in Relation to Employment matters And from members Of the public about The condition of Council amenities Resulting in injury.	5	3	15	High	Council models it's as a good employer and follows all expected standards of good employment practice. Public liability and legal expenses insurance is in place.
Terrorism & Large scale Emergencies.	Threat &/or risk Of destruction	5	2	10	Medium	Current UK threat is substantial, but Nantyglo & Blaina is sufficiently removed from major cities & other areas (e.g. airports & large arenas which are more likely to be targeted. Additionally, Nantyglo & Blaina has a higher than UK average, percentage of residents who were born (& live) within the area which also lessens the risk. Such risks can & would alter depending upon inflammatory issues. Any risk from terrorism within the locality is likely to be classed as a lower risk as a result of propaganda. The Civil Contingencies Team at BGCBC aim to reduce such risks and/or lessen the impact on the area through planning, training, liaison & response.

Tracy Hughes
Town Clerk / RFO – February 2024