

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

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# Risk Management Policy

## 2022 / 2023

This Policy was revised and adopted by the Council at its Meeting held on 22<sup>nd</sup> February 2022

Signed by:



Councillor D Hillman  
Town Mayor /Chairman of the Council

All of these factors have a greater or lesser relevance to Nantyglo & Blaina Town Council, but all are real factors that have to be regarded. They will be analysed in turn as they relate to the Nantyglo & Blaina Town Council.

### **Physical Risks:**

#### *Fire:*

The threat of fire is always present be it accidental or deliberate. A substantial proportion of the Town Council's Asset List is held at the Blaina Institute where the Council Offices relocated to in July 2017 and destruction by fire is a real risk but too is the loss of accommodation if there is extensive damage to the building. NBTC also owns Salem Chapel located in Blaina town centre. This also presents a fire risk due to it being unmanned (but secured) for periods of time. The risk does not just relate to the loss of fixtures, fittings and furnishings (many of which are irreplaceable) but could result in the temporary/permanent loss of the facility if the building was extensively damaged.

#### *Financial Matters:*

This is another area of risk as Nantyglo and Blaina Town Council is a custodian of public money with which includes a precept collected by Blaenau Gwent County Borough Council via the Council Tax. The Town Council benefits from financial regulations that are rigorously imposed by the Town Clerk / RFO. Quarterly budget monitoring reports and bank reconciliations on accounts held by the Town Council are prepared and submitted for Members' inspection. Monthly expenditure is listed for Council approval at the Monthly meeting of the Town Council. Budget monitoring in the form of actual compared to estimated expenditure and explanations of all variances greater 10%. Additionally, reports informing Members of the Council's reserve accounts are submitted to Council for consideration three times per year.

#### *Security:*

The security of the building in which the current Town Council Offices is located is the responsibility of Blaenau Gwent CBC and Blaina Community Institute Ltd (who took over the running of Blaina Institute in 2017). The building is alarmed when the building is closed. Although unlike the ICC Building (in which the Town Council Offices were previously located) there are no lockable gates to the property and it is unclear if the building benefits from CCTV. The adequacy of the alarm system of Blaina Institute has been questioned by some users of the building although there appears to have been many inspections made on the system. The Town Council Offices benefit from a lockable code system to the doors together with robust locks.

Security of Salem Chapel will always pose a security risk due to the fact it is located within the main street and unmanned for considerable periods of time. The Chapel does benefit from a security alarm and its central location within Blaina High Street ensures that the chapel is not isolated. The Chapel is inspected on a weekly basis by the Town Clerk and Assistant Officer.

### **Political Risks:**

Nantyglo & Blaina Town Council is a local council with members elected periodically by the electors of Nantyglo & Blaina. Many of the decisions taken by the Council are *political* in that they are debated in council – which is a public arena – and having taken a decision ensuring that action will follow. The usual motivating factors are a desire to help groups and organisations and to present the image of Nantyglo & Blaina Town Council in the best possible light. As a group, the members also work to improve the quality of life for all of the residents. One of the political risks is a change in the political complexion of Nantyglo & Blaina Town Council. An alternative political group/ party may have a fundamentally different agenda with consequences for the services that Nantyglo & Blaina Town Council supplies to the public *free of charge*.

### **Economic Risks:**

Whilst the Council holds no shares, it does however have a loan (payable to the Public Works Loan Board) in respect of the purchase of Salem Chapel. The main economic risk to the Town Council is the maintenance and running costs associated with Salem Chapel, a grade II listed building. At the present time the Town Council is only too aware of the serious financial risk posed by Salem Chapel which requires a substantial amount of work owing to dry rot infestation. Its listed building status complicates and adds further financial pressures and risk to the Town Council. A structural survey (December 2015) also highlighted substantial roof repairs are required within the next few years.

The Town Council can only attempt to limit further damage by carrying out the recommended repairs (using a suitably qualified tradesperson together with a competent and indemnified project manager) following a realistic building maintenance plan for Salem Chapel. It must be emphasised that the continued ownership of Salem Chapel together with possible future devolution of services to the Town Council may pose a substantial risk. The economic risk associated with Salem Chapel has been reported to and considered by Council in detail during 2018 due to the discovery of an unpaid gas bill. Please note that issues relating to this gas bill have now been resolved

### **Social Risks:**

These are factors in relation as to how Nantyglo & Blaina Town Council applies its policies. The demographic situation in Nantyglo & Blaina indicates that the area is officially classed as a deprived area & has an ageing population and this needs to be reflected in the services/activities that Nantyglo & Blaina Town Council offers to its residents. Whilst in the past this may have impacted upon more in the Principal Authority, again with the possible future devolution of services to Town Councils, this may be considered a risk. Council should consider what policies it has in place against what it needs and correct the balance.

### **Technological Risk:**

The risk to the Town Council could be caused by the failure or theft of its computer system. This could be caused by power surge or spike, theft or removal of the equipment. The risk is to the Council's ability to respond to this challenge by ensuring that essential files are protected or at least backed up. Other risks are viruses and worms that can devastate a

proposed Facebook page. Nantyglo & Blaina Town Council has identified publicity and distribution in its budget and will continue to keep the web site updated and has increased (& will continue to) its transparency and openness with the local electorate. Regular public consultation events and ongoing public consultation surveys also contribute to effective communication with the electorate of Nantyglo & Blaina.

**Professional/ Managerial Risk:**

This relates to the professionalism of the Council's staff.

Legislative changes, increased activity by both Nantyglo & Blaina Town Council and its involvement via the principal authority increase possible risk. The risks include giving incorrect advice, laying the Council open to public censure, failure to carry out properly authorised resolutions, failure to keep abreast of legislative changes that have or could have, an impact on the Members or the activities of Nantyglo & Blaina Town Council. The failure to keep the accounts of the organisation in the proper fashion, which is mitigated by the strong Financial Regulations and strong regime imposed by the Town Clerk/RFO. The appointment of the Assistant Officer has helped reduce the risks previously identified in having only one member of staff.

**Partnership/ Contractual Risk:**

Nantyglo & Blaina Town Council procures supplies and services in order to carry out its main aim of service to the public of Nantyglo & Blaina. The main risk is that supplies required may not be delivered on time, are not for purpose or are damaged or defective. The Council's main partnership exists with the principal authority.

The decision to purchase Salem Chapel in the town centre has meant that the Council has entered into a series of contractual responsibilities dealing with the many facets of maintenance and services. It is the Clerk's responsibility to ensure that all contracts meet the requirements of Nantyglo & Blaina Town Council. The risk is that this is simply not done. A partnership previously existed between the Town Council although this lease is currently (October 2018) being terminated via a formal deed of surrender (as requested by the Charter Group due to the unviability of both the group and the Chapel.

These then consist of the main risks, so far identified for Nantyglo & Blaina Town Council.

**2. Risk Assessment:**

Not all risk is present or imminent. They simply have to be addressed and assessed accordingly. All of the relevant literature suggests that risks can be categorised as high, medium or low dependent upon:

- a. History – has this risk ever happened?
- b. The potential for it happening – or happening again or
- c. Has not happened – yet.

**Physical Risks:**

Are tangible and although precautions are taken accidents will always happen.

**Justification:** Events held are covered by the Town Council's liability insurance and the Town Council's policies although the physical condition of Salem Chapel continues to pose a very real concern.

**Security:**

The Town Council offices relocated (July 2017) to Blaina Institute in Blaina and security of the building is the responsibility of Blaenau Gwent CBC and Blaina Community Institute Ltd and the security staff & measures deployed. However the ownership and insurance of the artefacts within the offices remain the responsibility of the Town Council. The office door has been fitted with a coded security lock which is used during periods of lone working. Locks have been fitted to both the office and chamber doors (storeroom was already lockable and secure).

**Level: Medium**

**Justification:** The level has been raised from low to medium due to the building benefitting from partial CCTV throughout and not having external gates which are locked at night and on bank holidays etc have proved effective security over recent years at the previous location (ICC building).

*Salem Chapel* – As previously stated security will always be a risk particularly when the Chapel is unmanned. An effective security and fire alarm together with weekly inspections helps lower the risk as does the fact that the Chapel is located in a prominent position within the High Street.

**Level: High**

**Justification:** An un-manned building leaves it vulnerable to acts of vandalism and attempted break-ins which has happened in the past.

**Health and Safety:**

Health and Safety legislations places a responsibility upon Nantyglo & Blaina Town Council as employers to ensure a good working environment for their staff. The employees have a duty of care both to themselves and their colleagues, which means not putting themselves at risk of harm. Health and Safety considerations also apply when members of the public visit the building. The recruitment of an additional member has helped to mitigate the risks of lone working and the level of strain currently experienced by the Town Clerk / RFO as the sole member of staff.

**Level: Medium**

**Justification:** Health and Safety Legislation is mandatory and directly applicable to Nantyglo & Blaina Town Council. The ramifications of the legislation are wide ranging.

**Serious Public Health Risk/Pandemic (including Covid 19):**

The emergence of the worldwide Covid 19 pandemic is arguably the most serious health threat to the UK in many decades. The legislation in respect of Covid 19 places responsibilities upon both individuals and employers (amongst others) to help maintain both personal, local and national safety. The Town Council, staff and Members have all adhered

**Political Risks:**

Nantyglo & Blaina Town Council is a publicly elected body and as such the public are entitled to change their representatives.

**Level:** Currently High

**Justification:** The closer one gets to an election the higher the political risk (the next elections are to take place in May 2022). A change of political complexion can have substantial ramifications such as reducing the precept and stopping ongoing projects or substantially increasing the precept to fund ambitious projects. The possibility of the proposed mergers for Borough Councils as suggested in the Draft Local Government (Wales) Bill and the future potential changes relating to the scope of the work of Town Council and their possible future mergers leaves Council with unknown political consequences, an uncertain future. The probability of boundary changes proposed for Blaenau Gwent (as previously reported to Council) and the proposed alteration of the Nantyglo / Brynmawr boundary is one example of this.

**Economic Risks:**

The main economic risk to the Town Council is its ownership of Salem Chapel. The Chapel was purchased in 2000 with a loan from the Public Works Load Board, which it is still repaying at the agreed rate. Since its purchase the Chapel was extensively renovated with funding from a variety of sources including the Town Council itself, however, the Chapel has been plagued by maintenance issues ever since. The discovery of extensive dry rot within the main hall has made it necessary to close the Chapel to the public. Investigations by a structural surveyor and architect has confirmed that the dry rot is partly due to the blockage of air vents during extensive renovations in 2010/11 and that listed buildings consent is required to remedy the situation. Further repairs to the roof are also required within the next few years.

Ongoing cuts to the principal authority budget may also mean that the devolvement of services to the Town Council may increase with associated costs to the Town Council budget.

**Level:** High

If the dry rot is left untreated, current legislation means that the principal authority can serve notice on the Town Council making it a legal requirement to carry out the work (although in practise this is unlikely to happen). The current condition and limited useable space within the Chapel means it has limited income opportunities although removal of the pews within the main hall of the Chapel (with relevant listed buildings consent) would increase the viability of the Chapel. This and the remedial works (including architect and listed buildings consent fees) required in addition to usual maintenance and repairs due to possible vandalism means that the chapel poses a considerable financial risk to the Town Council. Another option available to the Council is to sell the building.

**Social Risks:**

Although still categorised as a deprived area and with an increasingly ageing population the

Commission and the Parliament in Brussels. Together with information received from OVW and the SLCC, this can be a very time-consuming process and due regard has to be given to the importance of this part of the governance of Council.

The Town Council has implemented a General Data Protection Regulation (2018) policy which is adhered to and the requirements of the Local Government & Elections (Wales) Act 2021 has also impacted upon the Town Council.

**Level:** High

**Justification:** Nantyglo & Blaina Town Council is a body set up by statute, governed by statute and statutory instruments. The law has to be complied with at all times. The Clerk as the Council's "first aid" legal officer is obliged to inform and warn council of impending or actual legal change.

**Environmental Risk:**

As a public body Nantyglo & Blaina Town Council is in a highly visible position whereby all of its actions are scrutinised. As such it needs to be exemplary in its environmental concerns and Members of the Town Council are pro-active in helping to maintain the local community via litter picks, weed clearing and re-cycling together with its biodiversity plan.

**Level:** Low

**Justification:** To maintain policies which comply with current and new regulations. The Town Council has provided a number of flower planters throughout both Nantyglo and Blaina together with a 'Butterfly Garden' located in each area. The Council has also embarked on a programme of renewing the Christmas Lights from the old 'light bulb' style to the much more energy efficient LED lights.

**Customer/ Citizen Risk:**

The risk to Nantyglo & Blaina Town Council relates to the provisions in the Local Government Act 1972 which allow a majority of at least 30% of the local electorate or 300 electors taking part in a referendum to abolish the Town Council which is why the Town Council needs to be seen as pro-active and not just an additional cost to the council-tax payer. The Council takes this risk extremely seriously.

**Level:** Very High

**Justification:** It is fact that there will always be some of the electorate who do not support the Town Council. With community asset transfer and the emergence of pro-active community groups it is possible that such an attempt to hold a referendum may arise at any time. Recent mis-communications with the public and Blaenau Gwent Ward Members at Christmas time illustrated the need for the Town Council to have a louder public voice and effective form of advertising (an official Council Facebook page is being considered).

**Professional / Managerial Risk:**

The Town Clerk acts as a manager, administrator and is also the legal officer of first recourse for the Town Council. The Town Clerk is also the appointed Responsible Finance Officer and signs off the accounts and manages the financial element. The Town Clerk prepares and circulates agendas for meetings together with supporting documentation. The

presented to Council on a monthly basis for inspection/query. The Internal Auditor scrutinises these on a random basis during his visits.

**Level:** Medium

**Justification:** Such arrangements may increase pending any decisions on the future devolution of services.

### 3. Risk Management

The Advice Note of the SLCC (AG8/2003) states:

There are three main ways of managing risk:

- Take out insurance
- Work with another party to reduce risk or
- Manage the risk yourself to Council's satisfaction.

Governance and Accountability in Local Councils in England and Wales (NALC & SLCC, ND 2002) Indicates areas where insurance can help manage risk:

- The protection of physical assets owned by Nantyglo & Blaina Town Council – furniture, equipment, Salem Chapel etc (as detailed in the Asset Register).
- The risk of damage to third party property, or individuals as a consequence of the Council providing services or amenities to the public (public liability).
- Risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss).
- Loss of cash through theft or dishonesty (fidelity guarantee).
- Legal liability as a consequence of asset ownership (public liability).(Ibid.p.30)

The insurance cover is reviewed annually to ensure that it is adequate for the Council's needs.

Certain areas of risk are not manageable only by insurance. As an example Professional/ Managerial Risk. This being managed through staff development, staff appraisals and training.

Security at Salem Chapel is managed by a fire detection & alarm system both of which are professionally inspected annually in addition to weekly inspection visits by staff and appropriate policies in place.

#### **Reputation:**

Reputation is another uninsurable risk, it is nevertheless an asset that the Council squanders at its peril (*Larkin vii 2003*). Reputation is built on trust and belief – it cannot be bought. There are, however, a number of principles that underpin reputation risk management, they are:

- Acknowledge that reputation is a valuable asset and needs to be actively managed at Council level.
- Develop finely tuned radar and become a listening Council.



#### **4. Summary of Contingency Plans:**

Contingency planning is the pre-planning steps to be taken if a risk occurs. It ensures that there is a plan for unforeseen events including

##### Fire & Security of Office:

All current documentation and that required to be retained by legislation is stored in metal cabinets and all electronic documents are backed up.

All staff and Members are aware of the fire procedures & emergency exits, which are reiterated during Council meetings.

The office, storeroom and Council Chamber doors are security coded and the office and storeroom are also lockable. All are fitted with fire doors.

A legal user agreement with Blaenau Gwent CBC is in place which ensures that that BGCBC would need to provide the Town Council with suitable accommodation in the event of emergency.

Adequate insurance in such an event is taken out and reviewed regularly.

##### Financial / Partnership / Contractual & Economic:

Adequate insurance is in place which indemnifies the Council in event of many financial risks. The robust and rigorous procedures in place together with an effective system of internal audit should ensure that any such risk is minimal.

##### Liability:

Any such liability incurred by the Town Council would hopefully be addressed via the precautions detailed above to ensure preventative action is taken. Adequate insurance is in place which should help protect the Town Council in the case of such events. Such insurance cover is reviewed regularly to ensure adequate cover is in place.

##### Political/ Social & Citizen Risk:

Political risks are notoriously difficult to plan and deal with for any government body. Whilst preventative measures are in place and all members are regularly updated, the Council needs to be visibly pro-active in the community at all times, acting in the best interests and representing the community and the people via continual consultation in a variety of ways and methods (effective PR needs to be constantly and consistently practised). The Town Council promotes and publicises its activities and is transparent and open in all its activities and decisions although it is apparent that a more efficient method of doing so is required. Evidence of this is retained by the Council and utilised if required. The Town Council would need to issue swift, efficient, far reaching and above all honest communication / press release in such circumstances. Trusted contacts in many organisations ( e.g. local AM, MP, BGCBC, local groups and organisations and other public bodies) would help in such circumstances. The anticipated creation and adoption of a realistic, beneficial and practical Council Action Plan would also contribute to a contingency plan. A well managed social media presence such a Facebook can also assist with this although extreme care is required as such a presence can act as a 'double-edged sword' for the Town Council.

time and meetings of the council can only be held in person if the Council can also hold the meeting by remote means. It is anticipated that this system will be operational in March 2022. The Council has a successful method of holding meetings via remote means which enables all members and members of the press and public to attend without any cost to the individual or the need for any equipment other than a telephone or computer. Council staff have needed to work from home intermittently as restrictions have dictated, to keep the Council's services functioning although there had previously been some challenges due to IT systems (now resolved). The Council has now implemented online banking which has enabled some payments to be made where cheque payments are no longer accepted.

#### Salem Chapel:

At the present time there are many risks associated with the ownership of Salem Chapel such as health and safety, financial, political, liability etc. Due to the present situation the Council is carefully identifying and considering each possible risk, then assessing and putting procedures in place to manage those risks. A public consultation took place in March 2021 and the Council is now in the process of working through several legal issues. In the event of many of the risks identified, adequate insurance is in place, and this is continually monitored to ensure the insurance is fit for purpose. Advice and current information is also provided and requested from the insurance company to ensure it is current. Members of the Council are regularly updated on all issues in respect of Salem Chapel and recommendations are actioned.

Tracy Hughes  
Town Clerk /RFO  
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