

**DRAFT**  
**IVYBRIDGE TOWN COUNCIL**  
**RISK ASSESSMENT MARCH 2022**

<b>Subject</b>	<b>Risk/s Identified</b>	<b>Risk Level</b>	<b>Potential Impact</b>	<b>Management / Control of Risk</b>	<b>Review / Assessment</b>
<b>FINANCE</b>					
Banking	Failure of bank	L	H	There are financial advantages to maintaining our current arrangements with Lloyds Bank plc (See also under <b>ETHICAL INVESTMENTS</b> (below)).	Banking arrangements are subject to review as part of the annual internal audit
Investments	Investments made outside Council policy	L	H	Policy published to members and two members' signatures would be required for any change in investment. Investments are subject to approval by Full Council as is the annual investment policy.	No action required
Retail Sector / Office Occupancy problems	Effect on CCLA investment	L	H	Advice taken from CCLA is that retail continues to be the most problematical area. The sector has been an issue for several years now with the pandemic accelerating the trends. The glimmer of hope is in retail warehouses where many in 'home improvements' have been busy and some have converted to short-haul distribution sheds to aid the larger out of town hubs. The demand for office accommodation has been reduced by the Covid-19 pandemic and possible continuation of home working	This is a long term investment

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Adequacy of precept	Precept sum inadequate Requirement not submitted in time	L	H	The budget and precept are examined by Policy and Resources in December of each year and submitted for approval to full council in the following January. The precept deadline is noted and complied with by the Responsible Finance Officer.	No action required
Budgetary Process	Inadequate budget preparation leading to inability to fulfil obligations	L	H	Budget proposals are put forward by individual committees and considered by P & R Committee and Full Council. Policy and Resources Committee at each committee meeting monitor monthly and cumulative figures against the annual budget. In addition, the Watermark accounts figures are reported to each Watermark Committee meeting.	No action required
Cash	Loss through theft or dishonesty	L	L	Cash is reconciled to controls and banked promptly. Petty cash balances regularly verified by a member Fidelity Guarantee Insurance in place. It has not been possible for a member to verify cash balances during the pandemic.	No action required
Debit Cards	Fraudulent use including unauthorised cash withdrawals	M	L	Usage closely monitored by Senior Finance Officer. Cash withdrawal deactivated on card. Fidelity Insurance Credit limits monitored.	No action required
Cheque Books	Loss of cheques. Fraudulent use	L	L	Cheque books kept in a secure place. No blank cheques signed	No action required
Bank Reconciliations	Inadequate checks. Bank errors	L	M	Bank reconciliations completed monthly. It was not possible for a member to verify them during the pandemic but this was undertaken by the	Verification included with monthly

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				Responsible Finance Officer. Member does now verify the reconciliation.	accounting checks
Cheque Payments	Goods not received but invoiced. Invoices incorrect. Invoices unpaid Invoices paid but not approved	L	M	All invoices recorded and checked for accuracy and receipt of goods/services. List of cheques presented with invoices to members for signature. List of invoices paid presented to P & R Committee monthly. Clear audit trail of all expenditure. Officer approval verified by member signatories	No action required
Electronic Payments	Goods received but not invoiced. Invoices incorrect Invoices unpaid. Invoices paid but not approved. Loss of passwords and security codes. Hacking of system	L	M	All invoices recorded and checked for accuracy and receipt of goods/services. Invoices and lists presented to member signatories for verification of officer approval, and for payment authorisation. Payment through Lloyds Bank subject to approval by two members. List of payments submitted to Policy & Resources Committee monthly. Clear audit trail of all expenditure. Computer system has been extensively tested against any attempted intrusion. Members are verifying and approving payments.	Majority of repeat suppliers now on system. No major problems experienced
Supplier Bank Details	False information submitted. Fraud committed against supplier and council. Information entered incorrectly.	L	M	Council designed form including banking information completed by suppliers. Entry of information into system by Senior Finance Officer, verified by Finance Officer / Town Clerk. All entries checked by signatory member. Hard copy/computer record of supplier bank information maintained	No action required

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				Any changes to existing banking information dealt with as above. Clear audit trail. Checks are being carried out by Finance Officer / Town Clerk.	
General Data Protection Regulation (GDPR)	Inputting incorrect data Failure to obtain consent from data subjects Failure to follow correct regulatory procedures including failure to notify beaches of personal data to the Information Commissioner's Office Consequent penalties	L	L	Training undertaken, External Data Protection Officer appointed and consulted on any points of concern.	No action required
Members provided with Android Tablets	Council documents stored on the cloud and available to members. Password controlled under GDPR. Risk of password not being protected.	L	L	Members reminded that personal passwords must never be shared.	No action required

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Approval of Expenditure	Unauthorised purchases. Fraud.	L	L	All purchase orders authorised in accordance with the Financial Regulations.	No action required
Petty Cash	Payments not accounted for. Fraud	L	L	All petty cash payments supported by relevant paperwork. Petty cash cheques evidenced and signed by 2 Members. Balances checked by member on ad hoc basis, however it is not possible for a member to physically check balances during the pandemic.	No action required
Financial Records	Inadequate records leading to financial irregularities	L	M	Financial Regulations updated regularly Month end verification of balances undertaken by member.	No action required
Annual Return	Not submitted on time. Incorrectly completed	L	H	Responsible Financial Officer aware of date. Accounts prepared by Microshade with Senior Finance officer and RFO.	No action required
Sales Invoicing	Sales and services not invoiced	L	M	All contracts and services documented and subject to internal audit	No action required
HM Revenue and Customs Requirements	Errors in calculation. Payments not made/claimed to/from HMC	L	H	Use of professional software. Subject to internal audit	No action required
Salaries	Incorrect payments to staff	L	M	Payroll dealt with by South Hams District Council. Pay rates agreed by Personnel Committee. Casual staff calculations checked. Subject to Internal Audit and member checking.	No action required

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Local Government Pension Scheme/Auto enrolment 1st January 2017	Staff currently not in LGPS made aware of procedure to opt out initially and then every three years	L	L	System managed by SHDC but members responsible for opting out. All necessary action has been undertaken by the Town Clerk	No action required
Credit control	Appropriate monies not collected. Possibility of uncollectable debts. None-payment owing to dispute	M	M	List of debtors presented to Policy & Resources Committee and any required action agreed. Credit control procedure documented	No action required

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<b>LEGAL LIABILITIES</b>					
Ensuring acts within legal powers	Ultra Vires Acts incurring financial liability	L	H	CiLCA trained Town Clerk, use of manuals, advice from DALC, NALC, solicitors and Local Authority	No action required
Compliance with Employment Law	Acts outside the Employment law could lead to financial liability	L	H	Expertise of Town Clerk, contract with professional advisors. Approval of employment contracts by Personnel committee with professional advice available	Under constant review
Compliance with HM Revenue and Customs Requirements	Payments missed. Year end returns inaccurate or submitted late.	L	H	South Hams District Council deal with payroll. Membership of Devon Pension Officers Liaison group. Subject to internal audit.	No action required
Health and safety of staff, visitors and contractors	Liability incurred if Council found to be at fault	L	H	Council rigorously maintains Health and Safety Policy with professional advice.	Under constant review by the Assistant Town Clerk, Town Clerk and other Officers
Senior Management Absence	Unplanned long term absence of senior management	M	H	Town Clerk – day to day operations undertaken by current staff supervised by Assistant Town Clerk and Senior Finance Officer. Watermark Manager in post and can handle day-to-day operations there. Advice on individual projects and problems taken from the District Council, DALC, local town clerks and professional advisors. There would be an involvement with SHDC, DALC or SLCC should it be necessary to provide temporary cover.	A long term senior management absence procedure needs to be formalised. There would need to be an involvement with SHDC,

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					DALC or SLCC should it be necessary to provide temporary cover
Legal liability as a consequence of asset ownership	Injury caused through fault with asset or incorrect training in use	L	H	Buildings and other assets subject to maintenance schedule. Statutory or recommended periodic checks and inspections carried out on machinery, equipment and systems Appropriate training given	Under constant review
Insurance	Areas not covered. Policies lapsed. Inadequate sums insured. Over insurance increasing costs unnecessarily	L	H	Insurance policies reviewed annually with professional advice and approved by Policy & Resources Committee	Normally reviewed annually but amended within year to reflect changing circumstances
Computer Records	Reliability of system. Security of system. Back up procedures. Susceptibility to viruses and hacking	H	H	Professionally designed software with comprehensive off-site secure multiple back-up procedures. Maintenance contract with IT service provider. Secure remote access from home if main office access not possible.	No action required See also electronic payments (above)
Council Website	Hacking of system	L	L	Under present configuration it would be difficult to hack and even if the system was hacked there could only be a low degree of damage	No action required



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Tendering procedures	Procedures not followed for significant contracts. Best value not achieved. Fraud	L	H	Standing Orders, Financial Regulations and Procurement Policy followed correctly; tender documents opened in presence of a Council Member	No action required
Proper use of funds for community groups	Payments made outside agreed procedures	L	L	Applications considered by Policy & Resources committee. Some groups have funds earmarked in budget process	Procedure subject to review
General Power of Competence	Council powers adversely affected	L	M	Training of Town Clerk in place, maintain an adequate number of elected members at the next election to continue to use it.	Promotion of Councillor role needed in run up to 2023 elections to ensure a 2/3rds elected council
Register of Members' interests	Not maintained in accordance with Code of Practice	L	L	Current Code of Conduct adopted by Council. Code of Conduct and Register complete and filed. New Members made aware of Code of Conduct requirements. Forms for receipt of gifts available for Councillors. Agendas of all meetings invite members to disclose interests	No action required
Proper document control	Documents unaccounted for. No proof of documents received. Documents mislaid	M	L	Filing system established. Data Protection Act requirements in place and Council registered. Documents stamped with date received and actioned by relevant staff. Internal documentation may be produced and stored electronically	Electronic document filing currently being undertaken

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Proper and timely reporting of Council business	Records of decisions and business transacted not kept	L	M	Minutes approved at following meeting and numbered. Formal minute book maintained and a fireproof safe provided for storage of key documents	No action required
Business Continuity Plan	Premises badly damaged or put out of action. Long term illness of key staff. Bank failure Data loss	L	H	More than one useable building. Appropriate insurance including business interruption. Clear policies and procedures and sharing of access where IT security and audit allows. Working from home possible if required. Banking only with appropriate banks. Multi-level off-site backups to recover lost data and ability to work securely from home.	No action required
Meeting timetables for consultations	Items time lapsed through missing consideration by appropriate committee or full Council	L	M	Items placed in relevant Council/Committee folder and use of diary system to bring forward	No action required
Keeping Members informed	Members unable to contribute to decision making	L	M	Members have access to relevant agendas both through the Council website and through their Android tablets. Appropriate committees receive regular financial information including income & expenditure, annual accounts and lists of payments	Website constantly updated with information for members and also transmitted where appropriate to members, Android Tablets
Internal Financial Controls and Internal Audit	Proper financial controls not maintained. True	L	M	Council produces annually a Statement of Internal Controls.	Systems constantly

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	financial position not known			Professional Internal Audit reporting regularly and subject to monitoring by internal audit representatives. Audit plan approved annually	monitored and reviewed
Staff Grievance/ Complaints policy	Individual members of staff's concerns are not addressed Complaints not acted upon	L	M	Staff have been made aware of procedures Complaints policy sets out how complaints are handled.	All staff policies are subject to monitoring and development as necessary
<b>BUILDINGS/ OUTDOOR AMENITIES</b>					
Security of Buildings/ Property	Vandalism, weather and accidental damage	L	M	Internal and external CCTV in Town Hall and Watermark. Alarm systems with automatic response for both buildings. Low crime rate in South Hams area	Electronic surveillance monitored / liaison with police
Outdoor Amenities	Vandalism, weather and accidental damage	L	M	Parks team undertakes regular checks and maintenance	No action required
Maintenance for Vulnerable Buildings	Vandalism to buildings	M	M	CCTV Town Hall and the Watermark. Regular inspection of Butterpark and chapel/workshop/mortuary. Development of Filham Park to create greater usage making the site less vulnerable. Liaison with police if regular vandalism. Inspection of play equipment by insurers on an annual basis and weekly by Parks team.	Electronic and staff surveillance

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				Defects recorded and action taken	
<b>CEMETERY</b>					
Maintenance	Maintenance not undertaken	L	M	Parks team designated to maintain cemetery; weekly recorded check made of site	No action required
Invoices	Agency fee not invoiced	L	M	Invoiced as per diary system	No action required
Administration of burials etc	Incorrect procedures followed regarding internment of human remains Poor customer service damaging reputation	L	H	Senior Finance Officer and Finance officer trained in administering sale of plots to ensure correct procedures followed.	No action required

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<b>WATERMARK SPECIFIC</b>					
<b>Following the current withdrawal of the Covid 19 lockdown regulations there could be a reluctance for people to attend indoor events and the increase in the cost of living, particularly with regard to gas and electricity, will reduce disposable income.</b>					
Cancellation by Live Artistes	Damage to reputation, disappointment to customers, financial risk	L	M	If event is cancelled through the fault of the artiste that artiste is contracted to bear the cost of any reimbursement to ticket holders.	Appropriately worded contract in place
Cancellation of conferences and other events	Damage to reputation, financial risk	L	M	Contracts worded to charge in full or a proportion depending on length of notice given of cancellation.	No action required
Substantial investment in Cinema facilities	Inadequate return on investment	L	M	Higher grade equipment has enabled the cinema to show newer releases with improved screening and sound.	Position subject to monitoring by Watermark Manager and Watermark Committee
Business floor – significant under-occupation	Financial risk and risk to reputation	L	M	Dependent on economic forces, but history shows a good rate of occupancy. Rents are reviewed on renewal of leases.	No action required
Bar & Coffee shop takings/stock	Loss through theft or dishonesty	M	L	Cash reconciled to till. Stock checked regularly. External stock checks on quarterly basis	Ongoing monitoring
Information Centre Stock Control of Books for Resale	Current computer operating system does not include	L	L	Very low stock levels and minimal trading. Adequate stock checking and reporting of discrepancies to Town Clerk.	No action required

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	stock control for books				
Information Centre	Loss through theft or dishonesty	L	L	Ticket sales reconciled to till, cash reconciled to sales daily.	Ongoing monitoring
<b>BUTTERPARK</b>					
Delay to Project	Effect on commercial viability owing to additional on-costs being incurred through delays to commencement of project	H	H	On-costs being kept as low as possible	Subject to monitoring
Agreement With Developers	Inability to negotiate satisfactory contract	L	H	Professional advice taken	Advice undertaken
Potential Developers	Financial probity of potential partners in development	L	H	Professional advice taken	Advice undertaken
Site Development	Adherence to the correct procurement process in obtaining tenders for the development	L	H	Professional advice taken	Assessment undertaken
	Ensuring that successful bidders are able to develop the site in accordance with the Town Council's policy towards	M	H	Basis of contract awarded	Ensure that developers are fully aware of long term needs

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	people with learning difficulties.				
Security of Site	Security of site prior to commencement of development	L	H	Regular inspections by staff	Undertaken
Insurance of Site	Insurance of site prior to commencement of development	L	L	Insurance in place	Undertaken
Noxious Substances	Discovery of noxious substances	M	L	Satisfactory report received re asbestos, developer to be responsible for any other noxious substances discovered. Asbestos Register in place.	Report undertaken for presence of asbestos
<b>CLIMATE EMERGENCY AND ECOLOGICAL EMERGENCY</b>					
Effect of Climate Change	Increasing extreme weather events – risk of flooding, drought, and reducing ecological diversity in Ivybridge green spaces	H	M	Ongoing work by Parks Committee and ITC Officers to plan for and mitigate impacts of C&EE when planning for Green spaces, ie increased tree works due to increased disease and storm damage, path maintenance etc.	Ongoing as part of Parks and Open Spaces work
Effects of Climate Change	Increasing extreme weather events	H	H	Consider the creation of a local resilience plan in partnership with other agencies taking into account Council owned property.	Emergency Plan to be regularly reviewed

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	ITC misses opportunities to work with partners to take steps to tackle the C&EE	L	L	Establish/maintain good working relationships with a range of partners – SHDC, DCC, other local Parishes, organisations such as PL21, SDCE, IEAG, and other local groups who share the aim to tackle the C&EE.	Working group to be reinstated in 2022
Effect of Climate Change	Reputational risk for ITC for not taking enough action despite declaring C&EE	M	M	Consider the reestablishment of a C&EE working group and ensure that the climatic and ecological conditions are taken into account.	Working group to be reinstated in 2022
<b>Transport</b>					
Council Business Travel Policy	Failure by Council to incentivise travel by public transport. Inability to be able to use tablets offsite	L	L	Council staff and members draw relatively low travel expenses and have a low carbon footprint Need to ensure that tablets can be used offsite. Need to ensure tablets/laptops are useable on public transport and in other premises.	Regularly reviewed to favour non-car use where possible
Town Council Vehicle(s)	No suitable vehicle available at present. Failure by Council to budget for increased purchase cost of vehicle. Adequacy of charging points	M	L	Unable to proceed at present	Need to find an appropriate vehicle when available and to obtain Council approval
<b>Energy</b>					
Town Council Buildings Lighting	Capital outlay of circa £20,000 to be prioritised by Council	L	H	Making the case for the savings to be achieved within an acceptable period	Investigations continuing – reserves in place
Heat Pumps to Heat Watermark	Expenditure to be prioritised by Council	L	M	Town Clerk to investigate the feasibility of heat pumps / ground / air	No action at present



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<b>Consumption (food and waste)</b>					
Watermark Coffee Shop More Plant Based Foods Continue to Reduce Single Use Items	Customer Resistance Increased cost of sales	L	M	Continue the present policy of introducing plant based foods and reducing single use items	Ongoing
Single Use Water Bottle Reduction	Convincing the public to follow	L	L	Water refill points	Investigations to continue
<b>Environment</b>					
Tree Planting	Maintaining partnership with PL21	L	H	Substantial number already planted through various schemes. Space for further planting now limited. Need 'per hectare' CO2 absorption figures to justify and identify new sites	Ongoing
Longtimber Woods Management	Need to ensure current scheme continues	L	M	Coppicing and other sustainable woodland management techniques already employed. Looking at community firewood and charcoal burning	Ongoing
Parks Management Plan Improvements	Viability of Schemes	M	M	Introduction of recycle bins in parks. Cutting frequency/timing improvements to improve biodiversity, wildflowers and habitats. Look at design of new Woodlands Cemetery area – more suitable path materials for example General manage plan improvements	Ongoing
Wildflower Meadows/Areas	Obtaining funding for interpretation boards and to deliver workshop sessions Vandalism	M	M	Meadows and areas at edge of fields already in place. Other aspects require further investigation	Work in progress
<b>Education and Promotion</b>					

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Planning Policy	Council not adopting recommendation	L	H	<p>Review terms of reference and standing orders for planning committee to investigate legality of including requirement to comment on every application to build new homes, to the effect that we want to see carbon neutral buildings. Also write to relevant national government departments and encourage SHDC and DCC to coordinate too. Also consider a policy to comment based on:</p> <ul style="list-style-type: none"> <li>• All development should take place on brownfield sites</li> <li>• Surface water run off – effect of built environment and the need to add trees etc for water attenuation highlighted</li> <li>• A green travel plan to accompany all planning applications where walking, cycling and public transportation are material considerations.</li> </ul>	Council decisions to be made
Ethical Investments	Council funds are invested in Carbon heavy industries Disadvantages of moving away from current banking arrangements. Inability to influence pension investments.	L	L	<p>Devon Pension Fund Trustees are aware of the need to take note of ethical considerations when agreeing the investment portfolio. However, there is a legal requirement for them to gain the best returns possible within the constraints of security for the members' funds. This is of particular importance as there remains a decreasing but still significant funding shortfall.</p> <p>It is possible that as fossil fuel based companies diminish in prominence and more environmentally friendly companies come more to the fore there will be a shift to investments in those companies. It should also be noted that the Devon Pension fund is part of a much larger fund (Brunel) and the larger</p>	Banking policy is raised at least annually Investment policy is agreed by Council annually

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				<p>fund has the power to influence companies to adopt greener policies.</p> <p>Although it is possible, and has been considered by council, some of our funds could be placed with CCLA (Church, Charities and Local Authorities) with whom we already have long term investments. However, Council would have to take into account both the message being sent to the one remaining bank in Ivybridge which we campaigned to keep, and the effect on our overall dealings with that bank as we currently enjoy free banking with no charge for electronic transfers or cheques which is worth in excess of £1,000 annually.</p>	
<b>Purchasing</b>	<p>Technical difficulties suppliers may have to meet specifications. Policy needs to be reasonable, specific and enforceable.</p>	H	H	<p>The Council policy is to take environmental effect into account.</p>	<p>Situation monitored</p>
<b>All Council Policies to have a statement on CO2 impact and reduction</b>	<p>Where it is possible to make such a statement it would need to be accurate and meaningful.</p>	M	H	<p>Council would have to be happy that there was sufficient expertise to make authentic statements and for it to be one of the considerations when formulating specific policies and decisions.</p>	<p>Further investigation needed to find effective wording.</p>