



KNOWSLEY TOWN COUNCIL

RISK ASSESSMENT

TABLE 1: AREAS WHERE THERE MAY BE SCOPE TO MANAGE RISK BY INSURANCE

Probability (A) x Impact (B) = Risk Level (C)

PROBABILITY (A)	IMPACT (B)	RISK LEVEL (C)
Certain	Fatality	High Risk 15 - 25
Very Likely	Long Term Closure	Medium Risk 8 - 14
Probable	Temporary Closure	Low Risk 1 - 7
Unlikely	Service Disruption	
Highly Unlikely	Negligible	

POTENTIAL RISKS			A	B	RISK LEVEL	EXISTING CONTROL MEASURES
1. The protection of physical assets owned by the Town Council (e.g. buildings, equipment)	5	5	25	<ul style="list-style-type: none"> Up to date register of assets and investments 		
2. Risk of damage to third party property or individuals as a consequence of the Town Council providing services to the public (i.e. public liability)	2	5	10	<ul style="list-style-type: none"> Annual review of risk and the adequacy of insurance provider Ensuring the robustness of insurance providers 		
3. Risk of death or injury to employees in the course of their employment (i.e. employer's liability)	1	5	5			
4. Loss of cash through theft or dishonest (i.e. fidelity guarantee)	1	2	2			
5. Risk of damage covered by libel and slander perpetrated by employees or elected members whilst undertaking Town Council duties	1	1	1			
6. Risk of theft or damage to leased vehicles	2	2	4			
7. Legal liability as a result of potential costs and expenses of future actions	2	5	10			

ACTIONS REQUIRED

1. Are existing control measures adequate: **YES**
2. What additional control measures are necessary: **NONE**

INTERNAL AUDIT ASSURANCE

- Review of internal controls in place and their documentation
- Review of management arrangements regarding insurance cover
- Testing of specific internal controls and reporting findings to management and elected members

SIGNED:
(CLERK OF THE COUNCIL)

DATE:

MARCH 2019



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TABLE 2: AREAS WHERE THERE MAY BE SCOPE TO MANAGE RISK BY WORKING WITH OTHERS

Probability (A) x Impact (B) = Risk Level (C)

PROBABILITY (A)	IMPACT (B)	RISK LEVEL (C)
Certain	5 Fatality	5 High Risk 15 - 25
Very Likely	4 Long Term Closure	4 Medium Risk 8 - 14
Probable	3 Temporary Closure	3 Low Risk 1 - 7
Unlikely	2 Service Disruption	
Highly Unlikely	1 Negligible	

POTENTIAL RISKS		A	B	RISK LEVEL	EXISTING CONTROL MEASURES
1. Inadequate maintenance of security provision for vulnerable buildings	2	5	10	<ul style="list-style-type: none"> Standing Orders, Financial Regulations to deal with contract award and the purchase of capital equipment Service (Management) Level Agreements Regular bank reconciliations (independently reviewed) Health and Safety Policy Health and Safety Risk Assessments 	
2. Inadequate maintenance for support of I.T. services	1	2	2		
3. Inadequate support for human resource related issues	1	2	2		
4. Inadequate support for issues relating to health and safety	2	5	10		
5. Inadequate support for issues relating to legal matters	2	5	10		
6. Inadequate partnership working in the provision of youth services	4	1	4		
7. Inadequate partnership working in the delivery of grounds maintenance	2	2	4		
8. Risk of inadequate banking arrangements including borrowing or lending	1	4	4		
9. Inadequate vehicle or equipment lease/hire	1	2	2		
10. Inadequate arrangements to detect and deter fraud and/or corruption	1	4	4		

ACTIONS REQUIRED

INTERNAL AUDIT ASSURANCE

- Review of internal controls in place and their documentation
- Review of minutes to ensure legal powers are applied and the basis of the powers recorded and correctly applied
- Review and testing of arrangements to prevent and detect fraud and corruption
- Review of adequacy of insurance cover provided by supplier
- Review insurance of organisations wishing to use Town Council facilities
- Testing of specific controls and report findings to management

SIGNED: _____ **DATE:** **MARCH 2019**

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TABLE 3: AREAS WHERE THERE MAY BE SCOPE TO MANAGE RISK THROUGH SELF MANAGEMENT

Probability (A) x Impact (B) = Risk Level (C)

PROBABILITY (A)	IMPACT (B)	RISK LEVEL (C)
Certain	5	High Risk 15 - 25
Very Likely	4	Medium Risk 8 - 14
Probable	3	Low Risk 1 - 7
Unlikely	2	
Highly Unlikely	1	

POTENTIAL RISKS				A	B	RISK LEVEL	EXISTING CONTROL MEASURES
1. Inadequate financial records in accordance with statutory requirements	1	3	3	1	3	3	<ul style="list-style-type: none"> Regular scrutiny of financial records and proper arrangements for the approval of expenditure
2. Not ensuring that business activities are within the legal powers applicable to Town Councils	1	3	3	1	3	3	<ul style="list-style-type: none"> Regular returns to HMRC Employment contracts for all staff Systems of updating records for any changes in relevant legislation Regular returns of VAT Regular budget monitoring Procedures for dealing with and monitoring grants or loans made or received Minutes properly numbered Procedures to deal with Freedom of Information enquiries Procedures to deal with complaints from the public Procedures for recording Members' Interests, Gifts and Hospitality
3. Not complying with restrictions on borrowing	1	1	1	1	1	1	
4. Not ensuring that all requirements are met under employment law and Inland Revenue regulations	1	4	4	1	4	4	
5. Not ensuring that all requirements are met under Custom and Excise regulations (especially VAT)	1	4	4	1	4	4	
6. Not ensuring the adequacy of the annual precept within sound budgetary arrangements	1	4	4	1	4	4	
7. Not ensuring the proper use of funds granted to local community bodies	1	1	1	1	1	1	
8. Not providing proper, timely and accurate reporting of Town Council business in the minutes	1	1	1	1	1	1	
9. Not responding to electors wishing to exercise their rights of inspection	1	1	1	1	1	1	
10. No proper documentation control	1	4	4	1	4	4	
12. Not keeping a Register of Members' Interests and Gifts and Hospitality in place, complete, accurate and up to date	2	2	4	2	2	4	
13. Not reasonably ensuring the health and safety of staff and users of Town Council facilities	1	5	5	1	5	5	

ACTIONS REQUIRED

1. Are existing control measures adequate: **YES**
2. What additional control measures are necessary: **NONE**

INTERNAL AUDIT ASSURANCE

- Review of internal controls in place and their documentation
- Review of minutes to ensure legal powers in place, recorded and correctly applied
- Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements etc., including petty cash transactions
- Review and testing of arrangements to prevent and detect fraud and corruption
- Testing of specific internal controls and reporting findings to management
- Testing that VAT was appropriately accounted
- Review that the Town Council has significantly assessed risks and the adequacy of arrangements to manage these
- Review that the precept was correctly calculated and that Town Council reserves are appropriate
- Test that salaries to employees and allowances to members are paid in accordance with Town Council approvals, and PAYE and National Insurance requirements were correctly applied
- Review that the Asset Register is complete and properly applied

SIGNED:

(CLERK OF THE COUNCIL)

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MARCH 2019

