



Report on Patchway Town Council's Risk Register

Patchway Town Council approved in December 2019 a risk register, which would be reviewed twice a year at six monthly intervals. The risk register gives a RAG rating (Red, Amber and Green) to the risks that the council could face and how to control these risks.

The report below sets out the changes that the RFO has made in line with current controls and in correspondence with the council's auditor. This report only details the changes in the register and is not the complete register. This is for the council to compare the risks and see if the RFO's recommendations and rationale are acceptable for the council.

The register is split into the below sections. The 'controls' tab has been omitted from this report but can be seen in the proposed register as it has not changed from last year as it as a narrative of steps the Council should be taking. These are the sections:

Subject	Risk No.	Risks Identified	Probability	Impact	Total
---------	----------	------------------	-------------	--------	-------

2019 Risk Register:

Councillors	1	Unfilled vacancies	1	2	2
	2	Council being inquorate	1	2	2
	3	Fewer than two thirds of councillor being elected	2	2	4
	4	Breaches of councillor code of conduct	2	2	4

2020 Proposed Change to Risk Level:

Councillors	1	Unfilled vacancies	1	1	1
	2	Council being inquorate	1	1	1
	3	Fewer than two thirds of councillor being elected	1	2	2
	4	Breaches of councillor code of conduct	2	2	4

These changes reflect the council at this present moment in 2020, the probability and impact of risks 1 and 2 have been lowered to '1' because the council is fully elected and always quorate at meetings. Risk 3 in the 2019 register was high due to a councillor resigning in the last year however his resignation sparked a by-election, which means that all 15 councillors were elected hence the drop in the total risk level.

2019 Risk Register:

Business Continuity	5	Council unable to continue its operation due to unexpected or tragic circumstances	2	2	4
---------------------	---	--	---	---	---

2020 Proposed Change to Risk Level:

Business Continuity	5	Council unable to continue its operation due to unexpected or tragic circumstances	3	3	6
---------------------	---	--	---	---	---

At present, the council has not agreed a business continuity plan. The Clerk and Deputy Clerk work very closely to ensure continuity in the office but nothing has been put into place to cover risk to business in unprecedented times. The council should look into business interruption insurance if they feel that it is necessary. Council must agree to produce to a plan and ensure that all bases of council activity are covered. The officers will then draft that into an agreeable plan for council to formally adopt.



Report on Patchway Town Council's Risk Register

2019 Risk Register:

Financial Records	7	Inadequate records	3	2	6
	8	Financial irregularities	3	2	6

2020 Proposed Change to Risk Level:

Financial Records	7	Inadequate records	2	2	4
	8	Financial irregularities	1	2	2

At present, the council's internal controls and records have been praised by the Internal Auditor. The records of previous years have been made complete and there are reliable figures for at least four financial years previous as well as last year and the current year. All irregularities have been resolved and the council now has a robust accounting system which gives council thorough reports to scrutinise as well as council seeing full financial information at least twice a month now through the Finance Committee and Full Council.

2019 Risk Register:

Bank and banking	9	Inadequate checks	3	3	9
	10	Bank mistakes	1	2	2
	11	Loss	2	2	4
	12	Changes	2	2	4
	13	Loss of signatories/authorisers	2	2	4

2020 Proposed Change to Risk Level:

Bank and banking	9	Inadequate checks	2	2	4
	10	Bank mistakes	1	2	2
	11	Loss	2	2	4
	12	Changes	2	2	4
	13	Loss of signatories/authorisers	2	2	4

The risk level on Risk 9 has been dropped by a score of 5 as the council now have sufficient banking controls through NatWest Bankline. Members see reports twice a month and can scrutinise all payments. There is now complete transparency with all banking arrangements.

2019 Risk Register:

Reporting and Auditing	16	Inadequate reports	3	2	6
	17	Failure to carry out Internal and External Audits	2	2	4
	18	Failure to meet timetable for publication and inspection	2	2	4
	19	Objections to annual accounts	2	2	4

2020 Proposed Change to Risk Level:

Reporting and Auditing	16	Inadequate reports	2	2	4
	17	Failure to carry out Internal and External Audits	1	2	2
	18	Failure to meet timetable for publication and inspection	1	2	2
	19	Objections to annual accounts	1	2	2

The risk level has been reduced by two on all factors as the council now have a robust style of reporting and a rigorous internal and external audit process. The council has not failed in the last financial year to publish accounts in time.



Report on Patchway Town Council's Risk Register

2019 Risk Register:

Billing and Debts	20	Goods not supplied but billed	3	2	6
	21	Incorrect invoicing	3	2	6
	22	Cheques payable incorrect	1	2	2
	23	Loss of stock	2	2	4
	24	Unpaid invoices	3	2	6

2020 Proposed Change to Risk Level:

Billing and Debts	20	Goods not supplied but billed	2	2	4
	21	Incorrect invoicing	2	2	4
	22	Cheques payable incorrect	1	1	1
	23	Loss of stock	2	2	4
	24	Unpaid invoices	2	2	4

The council has adopted a financial procedure document as well as authorisation protocol around how payments are made. This means that the score is lower than the 2019 risk factors however it has to be more consistent across this financial year to further decrease. The council have stopped paying by cheque unless it is requested, and BACS is now the preferred method.

2019 Risk Register:

Procurement	28	Work awarded incorrectly	3	2	6
	29	Overspend	3	2	6

2020 Proposed Change to Risk Level:

Procurement	28	Work awarded incorrectly	2	2	4
	29	Overspend	3	2	6

The council has made good progress in changing the way that contracts are awarded either through a '3 quote where possible' procurement strategy or relying on the newly adopted preferred suppliers list. However, council overspend on key projects have been apparent so the risk level will stay the same for risk 29 as in the last financial year the council overspent on professional fees of the main projects. Aside from projects, procurement is usually in line with budget.



Report on Patchway Town Council's Risk Register

2019 Risk Register:

Salaries	30	Salary paid incorrectly	2	2	4
	31	Wrong hours/rates paid	2	2	4
	32	Payment of expenses	2	2	4
	33	False employee	1	2	2
	34	Wrong deduction of NI or Tax	2	2	4
	35	Unpaid NI & Tax contributions to HMRC	2	2	4

2020 Proposed Change to Risk Level:

Salaries	30	Salary paid incorrectly	1	2	2
	31	Wrong hours/rates paid	1	2	2
	32	Payment of expenses	1	2	2
	33	False employee	1	2	2
	34	Wrong deduction of NI or Tax	1	1	1
	35	Unpaid NI & Tax contributions to HMRC	1	1	1

The council has made significant process around the authorisation of salaries. The council have introduced payroll checks and the RFO has a robust style of reporting for all salaries. A spreadsheet to total up and reconcile salaries for the RBS system has been implemented and ensures the correct salaries have been allocated to the correct employee. Backpay issues from historical years have now been corrected.

2019 Risk Register:

Employees	36	Loss of key personnel	2	2	4
	37	Fraud by staff	2	2	4
	38	Actions undertaken by staff	2	2	4
	39	Health and safety breaches	3	2	6
	40	LGPS cessation cost when last active members leaves	1	1	1
	41	Excessive sickness or accident	2	2	4

2020 Proposed Change to Risk Level:

Employees	36	Loss of key personnel	2	2	4
	37	Fraud by staff	2	2	4
	38	Actions undertaken by staff	2	2	4
	39	Health and safety breaches	2	2	4
	40	LGPS cessation cost when last active members leaves	1	1	1
	41	Excessive sickness or accident	2	2	4

The only change on this section is risk 39. A lot of work has been done by all staff and the personnel committee to ensure that health and safety in the workplace is paramount. There is still some work to do but in the last 6 months, good progress has been made hence why the score has been reduced.



Report on Patchway Town Council's Risk Register

2019 Risk Register:

VAT	43	Failure to reclaim VAT.	2	2	4
	44	Failure to charge VAT where applicable.	3	3	9

2020 Proposed Change to Risk Level:

VAT	43	Failure to reclaim VAT.	1	2	2
	44	Failure to charge VAT where applicable.	1	2	2

Patchway Town Council are now VAT registered and are charging VAT for all services. VAT reclaims have been done quarterly since September 2018 and have always been received. Historical VAT issues have been sorted.

2019 Risk Register:

Minutes, Agendas and Reports	45	Failure to produce and display agendas on time	2	2	4
	46	Minutes not approved and signed	1	1	1
	47	Files not maintained	3	2	6
	48	Business not conducted in accordance with Standing Orders	3	2	6

2020 Proposed Change to Risk Level:

Minutes, Agendas and Reports	45	Failure to produce and display agendas on time	1	2	2
	46	Minutes not approved and signed	1	1	1
	47	Files not maintained	2	2	4
	48	Business not conducted in accordance with Standing Orders	2	2	4

The reductions on items 45, 47 and 48 are due to the officers of the council being able to hit meeting deadlines and ensuring a good way of delegation to ensure all agendas and papers are received and displayed on time. Files have been overhauled and are now kept orderly. The Clerk ensures that business is carried out in accordance with Standing Orders. Four councillors attended 'Chairman Training' through Avon Local Council's Association. The council pays for membership to the SLCC for its officers to access best practice advice and resources.



Report on Patchway Town Council's Risk Register

2019 Risk Register:

Insurance	52	Inadequate insurance cover	3	2	6
	53	Claims disputed	3	3	9
	54	Insurance premiums become excessive	2	2	4
	55	Injury to volunteers resulting in claim	2	2	4

2020 Proposed Change to Risk Level:

Insurance	52	Inadequate insurance cover	2	2	4
	53	Claims disputed	2	2	4
	54	Insurance premiums become excessive	2	2	4
	55	Injury to volunteers resulting in claim	2	2	4

The council are now in the process of reviewing their insurance cover and ensuring it is adequate whilst not being excessive in price. Claims have either been resolved or are close to resolution.

2019 Risk Register:

Assets	61	Loss or Damage	3	2	6
	62	Risk/damage to the property of third parties	2	2	4

2020 Proposed Change to Risk Level:

Assets	61	Loss or Damage	2	2	4
	62	Risk/damage to the property of third parties	2	2	4

A thorough review of the council's assets were undertaken by the RFO at the end of the financial year. It is envisaged that the asset register will go to the Finance committee then to Council for review.

2019 Risk Register:

Assets	61	Loss or Damage	3	2	6
	62	Risk/damage to the property of third parties	2	2	4

2020 Proposed Change to Risk Level:

Assets	61	Loss or Damage	2	2	4
	62	Risk/damage to the property of third parties	2	2	4

A thorough review of the council's assets were undertaken by the RFO at the end of the financial year. It is envisaged that the asset register will go to the Finance committee then to Council for review.