

KINGSWOOD TOWN COUNCIL

Meeting: Finance and Administration Committee

Date: 24th September 2024

Author: Town Clerk

Item for Consideration: Risk Assessments for Finance and People and Digital Technology

1.0 Introduction

1.1 Kingswood Town Council is required to undertake an assessment of all its risks and put in place arrangements to reduce those risks. As the council becomes active in arranging events it is necessary to increase the number of risk assessments for manual activities, such as working alone, at height, lifting etc. As the council recruits additional staff, the risks will reduce as the workload and responsibility are spread across a staffing team and thus reducing the single point of failure. The council has already considered some of the financial risks and people risks (below) and these are being updated. Added to this will be the risks that come from digital technology.

2.0 New risks

2.1 Risks also come from the digital age; data being stolen, corrupted, or operator error leading to loss. Officers operate within a digital environment and have the necessary tools (hardware and software) to do their jobs, but sole reliance on this environment impacts on their general health and wellbeing. Examples of maintaining health of the individual include:

- Taking regular breaks away from the screen, ensuring that Display Screen Assessments are undertaken to ensure that the individual has good posture, avoiding the temptation of working longer hours, just because the office or laptop might be in the living room.

2.2 The technical risks will be incorporated into the risk assessment, but some updates are provided here:

- Awareness of cyber security, the need to use passwords, an awareness to not respond to phishing emails, the need to do regular updates on software, regular updates, cloud storage, protecting hardware and not sharing it with others.

2.3 The role of all of us: to be vigilant, to use passwords, to reduce access to personal devices that might contain confidential data, to install the necessary malware and software updates,

2.4 The role of the Clerk: To act as the overseer and protector and change manager and have central control of the council's information: to assess risks and bring in improvements, to ensure that emails are used correctly, that the right documents are shared, that the website is up to date and accessible, to remind councillors of the need to install good practice cyber security, and be vigilant to phishing emails.

KINGSWOOD TOWN COUNCIL

2.5 When the council started, the finance package was only loaded onto one laptop, backed up onto that laptop, and with only one license, meaning a potential single point of failure. The Clerk has now purchased additional licenses that will be used by the new temporary finance officer, but using emergency powers, sanctioned by the Chair, has moved the storage of the financial data into the hosted cloud of RBS who provide the software, at a cost of £660 per year. The clerk chose to move hosting it away from Cloudy It to spread the risk and because RBS also undertake regular check on the data to ensure certain functions are regularly being completed.

2.6 The clerk has provided the following tables at Appendix A that lists possible risks and what can be done to reduce those risks. This is a work in progress and the list will be updated as circumstances change.

3.0 Recommendation

3.1 That the Finance and Administration Committee note this report.

3.2 To support the additional payment to RBS for cloud storage of the financial package.

KINGSWOOD TOWN COUNCIL

Appendix A

Category : Staff

Ref No	Name of Risk	Cause and Description	Impact	RAG Score	Control Measure	Actions
S1	Injury or death	Accidents, trips and falls, burns and scalds, poorly planned events, terrorism	Death or injury	Medium	Training, procedures, risk assessment, Insurance	To identify all risks and ensure risk assessments are in place
S2	Staff wellbeing	Failure to recruit and maintain staff morale, failure to maintain staff health, leading to unsafe or unhealthy working conditions	Loss of staff and good will	Medium	Staff appraisal, internal communications, staff training programme, staff and councillor meetings face to face	To ensure that the staff are included in decisions To ensure staff receive regular feedback To ensure staff have access to necessary training To ensure staff have the necessary equipment to do their role.
S3	Staff retention	Impact on projects and service delivery and the general running of the councils	Council ineffective	High	Commitment to support staff wellbeing, for staff to be involved in staffing committee, staff to receive regular feedback, staff to be supported by committee Chairs	Implement a feedback loop for staff to keep councillors updated, and engaged,
S4	Loss of Key Staff	Inability to pay suppliers, to manage finances, to complete statutory duties, to hold meetings, to deliver projects and for the council to operate.	Impact on smooth running of the council	Medium	To employ more than one member of staff. To have contacts of SLCC to find temporary cover, to ensure that procedures are written down, to distribute knowledge	To have contacts for external locum agency, external accountancy support and contacts for meetings and key suppliers. For staff to have regular meetings to be aware of what others are doing and be willing to support as necessary.
S5	Claim from staff	Staff claiming compensation for employment defects	Financial and reputational	Low	Model contract of employment, Confidential matters discussed by staffing committee, committee to keep up to date with employment law	Seek quote for HR/legal employer services Insurance in place.
S6	Insufficient staff	Insufficient staff to deliver projects resulting in slow delivery and possible change in direction	Reputational,	Medium	Town Clerk to update council on projects and inform of impact of increased workload or need to recruit.	Ongoing workforce planning, and to assess staffing needs and resources and cost on each project. For new ideas to be considered alongside all projects by committees and not individual councillors

KINGSWOOD TOWN COUNCIL

Category: Finance

Ref No	Name of Risk	Cause and Description	Impact	RAG Score	Control Measure	Actions
F1	Incorrect precept request/late request	Council not receiving its annual funding	Financial Impact on objectives	Low	Minutes record amount and checked by Chair after meeting	Checked by second member of staff.
F2	Precept paid to wrong account	Incorrect details provided to SGC	Financial	Low	SGC have checked it is accurate	Keep the same bank <u>account and</u> beneficiary to be checked annually
F3	Payroll Fictitious <u>people on payroll</u>	Funds being used to pay others and not genuine staff members	Financial	Low	Starter form to be signed off by Clerk and Chair 2 bank signatories who see all invoices or records to pay	Bank signatories to know who is being paid and challenge any unrecognized payments
F4	Payroll Incorrect payment	Too much or too little paid to staff	Loss of staff morale, financial	Low	Outsourced to Payroll agency and all paperwork checked by town clerk and finance officer	Regular reviews that current rates are being applied
F5	Payroll Nonpayment of staff	Clerk not making payments Councillors not authorizing payments in time scale	Loss of staff morale, financial	Medium	Two members of staff to be able to make payments onto bank, in agreement with council	Payments onto bank to be authorised by Finance Officer in addition to 2 councillors.
F6	Theft of money from bank accounts	Councillors, staff or others with access to account removing sums	Financial and reputational	Low	Monthly bank reconciliation Signed by Chair and Clerk Bank signatories limited to 6, and 2 are needed to authorize every transaction	To be reconciled with financial package and audited monthly. For different councillors to action, not rely on the same 2 all the time
F7	Financial records not up to date	Adverse audit result, legal action,	Impact on running of council	Low	Clerk/RFO to be up to date with changes, to attend all relevant training,	For Finance Officer to share this function
F8	Financial records that are inadequate or non-compliant	Adverse audit result, legal action,	Impact on running of council	Low	Clerk/RFO to be up to date with changes, to attend all relevant training, and implement best practice, and rely on advice of internal auditor who supplies an annual report to council	Annual internal audit actions to be implemented. Finance Officer and Clerk are qualified in CILCA.
F9	Payments for goods that have not been supplied	Loss of funds	Financial	Low	PO system, use accounts software, bank reconciliation to match against invoices.	Use purchase orders, all invoices to be checked, all invoices signed by 2 councillors before payments, all invoices signed to be emailed to bank signatories before authorization