

ABINGDON-ON-THAMES TOWN COUNCIL

28th APRIL 2021

Agenda item 18: Report of the Deputy Town Clerk

INTERNAL CONTROL AND THE MANAGEMENT OF RISK

1. Introduction

- 1.1 The purpose of this report is to update members on the review of the Council's corporate risks for 2020-21. It is a requirement of the Accounts and Audit (England) Regulations 2011 that the Council undertakes and approves an assessment of its business risks on an annual basis.
- 1.2 In previous years, an extract of the assessment and action plan has been reported to the relevant committee ahead of the Council meeting. This is not a legal requirement, but members may have found this useful. Due to the increased work pressures faced this year, both from staff shortages and working from home arrangements, the review was not formally updated in time for the previous cycle of committee meetings. It is intended that the risk assessment is reviewed more regularly by members during 2021-22. Members should be assured that officers have reviewed the risk assessment on an ongoing basis during the year and have both identified new risks due to the Covid pandemic and implemented actions identified last year.
- 1.3 An Action Plan is produced to record any risks which require improvements to the controls in place. Members are requested to approve the draft Action Plan (**APPENDIX A**) and this to be signed off by the Mayor, Cllr Charlie Birks. A copy of the approved Action Plan will then form part of the assurance on a sound system of Internal Control which is signed off as part of the Annual Accounts process at the Council meeting in June 2021. The full Risk Register is available to view on SharePoint.

2. Risk identification, scoring and actions

- 2.1 The Council uses a software package called the Local Council Risk System (LCRS). This is used by several local councils. The package suggests risks which might apply to local councils and allows additional council specific risks to be entered.
- 2.2 Each risk is assessed based on:
 - The likelihood of the risk occurring at the Council (1= low to 3=high)
 - The estimated impact on the Council if this risk did occur (1=low to 3 = high)

A score for each is then generated by multiplying these together. Risks which have a score of 4 or higher are then fed into an Action Plan. These risks are called "*uncontrolled risks*" and further work is then required to mitigate fully against the risk occurring / lessen the impact on the Council.

- 2.3 The Action Plan considers ways in which the likelihood or impact can be reduced, by putting additional measures in place.
- 2.4 The Deputy Town Clerk, along with other officers identify relevant risks and assess each in turn.

3. March 2021 Risk Assessment

- 3.1 32 service / function areas were identified and a total of 218 risks. A summary of the scores for all 32 areas is attached at **APPENDIX A**.
- 3.2 Out of the 218 risks, there are 5 where further work is ongoing to improve the controls. These are recorded in the Action Plan at **APPENDIX B**.
- 3.3 Progress on actions identified last year has been hindered by the COVID pandemic. These risks remain on the Action Plan presented this year.

4. Recommendation

- 4.1 The Council is requested to note this report and endorse the Action Plan, authorising the Mayor to sign this on behalf of the Council.

Susan Whipp
Deputy Town Clerk
23rd April 2021