

Honiton Town Council – May 2026 Corporate Risk Assessment

This Risk Assessment is based on the EDDC format used for management of Events. It is focused on the general risks to the Honiton Town Council. The Risk Assessment uses risk scores as defined by the Council’s Risk Strategy and Policy (March 2021). **Those risks highlighted in BOLD are considered to be the most significant: Beehive, Dowell Street wall and LGR.** Individual risk assessments are prepared for some risks.

The Council has a legal responsibility to protect itself and workers and others from risk to their health and safety. It must think about the risks they face and do everything reasonably practicable to minimise them, recognising you cannot completely eliminate risks.

The Council has completed the tables below: clerk@honiton.gov.uk

Event details:

Event:	Prepared / Approved by: Your Name: Stephen Hill (Town Clerk) Date: January 2026 Version: v10 Honiton Town Council: Previously reviewed and Approved Full Council 12 May 2025 (ref 25/36) Presented to F&P Committee 17 November 2025, v9 draft. Final v10 Approved by Full Council May 2026, 26/40	Email Address: clerk@honiton.gov.uk Contact Number: 07949 150 888
Company Name: Honiton Town Council	Persons Responsible on Site: Town Clerk	Contact Numbers: As above
Venue: Honiton Town Council, The Beehive		

Risk Assessment:

The Town Council’s Risk Strategy and Policy will be used to assess risks and identify mitigation measures: <http://www.honiton.gov.uk/Core/Honiton-Town-Council/UserFiles/Files/Policies/2021/RISK%20MANAGEMENT%20POLICY%20March%202021.pdf>

Hazard Risk Categories	Those at risk	Points to consider and control measures	Current Assessment of Risk			Further action required to control risk?
			Risk score (likelihood/impact)	Residual Risk	n/a	
Damage to the council owned community complex (The Beehive)	Honiton Town Council	As freeholder HTC to ensure oversight and ensure insurance in place, with Zurich. 90% of the cost of insurance of the Beehive is billed to HCC: A new price from Zurich for a 3 year LTA from 1 July 2024; approved by Full Council 10 June 2024. HCC has been invoiced for its 90% contribution 25/26 at £4,424 and which is being paid in monthly instalments. 2025/26 HTC insurance premium £7,817 (25/26) – 3 year LTA Zurich price for Beehive building insurance £4,916 (25/26), included in the above.	15	6		In place 3-year LTA from 1 July 2024; until 30 June 2027; approved by Full Council 10 June 2024.
Council must manage the Honiton Community Complex if Lease Notice is given.		Assess and review council revenue budget and reserves and banking methods to enable precise accounting and audit trails. Ensure resource and expertise is in place. HCC served Notice February 2022 and rescinded	15	10		Actions have been agreed by Full Council since February 2022 and include commissioning consultants, public

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		<p>March 2022 on the basis that HTC agreed to underwrite HCC costs. There are separate confidential reports to Full Council and risk assessments on this matter from February 2022. Council agreed Underwriting Agreement with HCC (22/23) March 2023 and revised (23/24) October 2023 and further revised (24/25) April 2024, August 2024 and March 2024.</p> <p>Technical, financial, political and community risks to the Council in managing the relationship with HCC and should HCC hand in 3 months Notice before its lease ends September 25.</p> <p>Beehive Working Group (BWG) established and FC October 23 approved lease tender Expression of Interest (EOI). One EOI has been received by end March 2024 from HCC.</p> <p>FC has decided that a “Plan B” be prepared should HTC need to operate the Beehive should HCC hand in Notice or the lease/tender be unsuccessful. The BWG has prepared Plan B (approved by Full Council March 10 June 2024).</p>				<p>consultation (July 22), recasting budget (22/23, 23/24), underwriting HCC costs, establishing a Beehive WG, Full Council lead and separate Risk Assessments.</p> <p>Eol return date agreed by FC as end March 24.</p> <p>Lease/tender Scoping Report with timescales and stages for replacement lessee approved by FC. Contingency “Plan B” has been prepared taking advise from consultants and approved 10 June 24.</p> <p>Confidential information provided by HCC is provided to the Council’s Accountant and retained as confidential in compliance with the</p>

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		<p>Full Council approved “closed” Tender to HCC (not “open” Tender as HTC’s solicitor advised – to help demonstrate vfm. Full Council September 24 approved the Beehive lease Tender which was issued to HCC with Tender return date 8 November 24. A Tender was provided by HCC and Post Tender Negotiations completed end February 2025. Heads of Terms for a new Lease were approved March 2025.</p> <p>A new long term 30 years lease of the Beehive was signed 22 August 2025 with contractual management arrangements in place via the HTC/HCC Review Meeting, financial projections, SMART targets and Business Plan.</p>			<p>CoC.</p> <p>Based on the recommendations of the BWG, Full Council approved the Tender and Heads of Terms of new Lease.</p> <p>A Tender was received from HCC, and following Post Tender Negotiations, Heads of Terms were agreed and a new lease drafted and completed August 2025.</p>
Council must meet financial implications arising from the Honiton Community Complex if transferred to HTC.		<ul style="list-style-type: none"> • To reach negotiated agreement with HCC; Review Meeting HTC/HCC started April 2022 and meeting at least quarterly. • The Council approved two Council representatives of the HCC, one of which are HCC Directors. This is now superseded by the new lease which does not require two Council Directors on the HCC Board. • Consultants have been appointed (Wellers Hedley solicitor, Parkinson Partnership VAT, Mulbery Associates Accountants, Stratton Creber - valuer) • Financial implications reported to Full Council throughout 2022, 2023, 2025 and 2025. 	15	9	Financial implications for the Council have been and will continue to be reported to FC (variable largely dependent upon VAT on build costs to April 24 – now resolved at £0 as >10 years have elapsed since first use 2014). Sought advice from consultants on “Plan B” costs implications to the

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		<ul style="list-style-type: none"> • Service Level Agreement 2015 and Variation to Lease resolved January 2021. Council Directors highlight risks emerging for HTC. • Monthly/quarterly review meetings established April 22. • Financial information provided monthly by HCC provided to HTC's accountant for his review and advice to HTC; reported monthly to Full Council. • Consultants appointed and advising. • FC has asked that a "Plan B" be prepared, which the BWG has prepared and FC approved 10 June 2024. • HTC recast its budget 23/24 and 23/24 to include £50.2k and £40k (and £20k draw on Reserves 23/24) respectively for underwriting HCC's costs. • A budget of £60k has been included for 24/25 and also at £60k for 25/26 (in line with the Tender for Lease) • Services provided at the Beehive are enabled by the financial safety net underwriting agreement and by the Local Government Act, S144 and S145 and Local Government (Miscellaneous Provisions) Act 1974, S19 (3) and, of course the Council has the General Power of Competence (GPC) and must stay within State Aid legislation. • A member of public has challenged the AGAR 23/24 and specifically the Council's use of the 			<p>Town Council of it operating the Beehive, governance structure, operating model. Minutes of Review Meetings discrepancy between ToR and HCC's preference for not providing to all Cllrs. now resolved. Full Council approved the Tender and Heads of Terms of new Lease.</p> <p>The Council has taken and received Legal (Wellers Hedleys), DALC and Internal Auditor advice. External Auditor asked for the Council's formal response and HTC provided that information, enabling the External Audit 23/24 to be concluded.</p>

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		GPC to underwrite HCC's costs. This has been investigated by the External Auditor which concluded no further actions are needed by HTC 23/24.			
The risk is the Street Market makes a financial loss.		<ul style="list-style-type: none"> • Review council revenue reserves and banking methods to enable precise accounting and audit trails; financial management processes in place. • Produce targets and objectives for market manager; Market Working Group established • Market rental income was re-introduced (October 2021) following suspension during Covid-19, 2020/21. Budget 2022/23 at £25k; Market remained below budget at £16,998. Budget income 23/24 is £20k; 24/25 is £20k (£13.9k actual); and 25/26 is £15k. • Council has procured gazebos and plans to provide storage shed, signs and barriers. • Thursday Market has been temporarily suspended mid 2024. 	15	12	The MWG has plans to improve the Market including providing a consistent looking Market, Council gazebos, advertising for new Traders and occasional Markets (eg Christmas).
Council fails to hold sufficient revenue budget and general reserves to meet unexpected expenditure.		Revenue budget agreed annually by Council. Internal controls in place. Monthly and quarterly financial monitoring. Review council reserves and banking methods to enable precise accounting and audit trails. Amount of Reserves is assessed against consideration of risks, eg employment tribunal costs (now resolved), Beehive management and any legal case against EDDC (with HTC called as	20	15	Annual budget setting and Council approval of budget and Precept. Reserves (EMR) reviewed by F&P Committee and FC. Reserve Strategy is in place and Treasury Management Strategy

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		<p>witness). Reserves were low C. £145k (23/24) and all Earmarked (last reported to FC June 24).</p> <p>The budgets 22/23 and 23/24 did not include a budget line for financial support Grant of HCC and financial support needed 22/23 and 23/24 has been paid from recast budgets (£50.2k and £40k respectively) and £20k drawn down of Reserves. The Council April 24 and August 24 approved a new Underwriting Agreement 24/25 with HCC at no more than £5k pm (or £60k full year); budget 24/25 has been set to include £60k support for the Beehive. The budget 25/26 also includes £60k budget for support of the Beehive.</p> <p>The minimum “rule of thumb” 3-6 months Reserves; at £145k Reserves are too little to apply “rule of month” 3-6 months (£167k-£334k based on £667k Precept 25/26) and also other EMR (eg running reserve and CIL) and not including financial risks eg Dowell St wall. Amount of Reserves has been increased so that at end March 2025 the Council has £303k but still less than 6 months at Precept 25/26 of £667k.</p> <p>A budget to increase Reserves by £115k has been included in the 26/27 budget.</p>				<p>approved December 2021.</p> <p><i>The amount of Reserves at £145k 23/24 should be increased. This was highlighted at AGAR, Q4 24/25 financial report and during budget setting 25/26.</i></p> <p>The External Auditor has not been able to complete 24/25 following an Elector’s letter during the previous year’s Notice of Public Rights, to which the External Auditor must respond.</p>
Mis-use of council funds		Internal and External Audit. IAC appointed as Internal Auditor. Annual AGAR prepared including for public scrutiny and Internal and External Audit.	10	6		Audit reports initially taken to F&P Committee and Council

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		<p>Internal controls: Financial Regs, Code of Conduct and Standing Orders.</p> <p>Internal investigations will be initiated should there be any concern about misappropriation of public funds.</p> <p>3no. potential conflicts of interest were identified 2023, Solicitor advise taken and the Council has taken actions to address.</p>			<p>for information and corrective actions. Internal controls are reviewed annually by Council and at F&P Committee.</p> <p>The Council's draft Asset Register 24/25 has been rationalised to re-introduce circa £85k chattels/sound equipment located at the Beehive.</p>
Loss of council funds held in bank accounts		Internal controls: Financial Regs approved May 2025. Consider keeping council reserves in another bank.	10	10	Financial Regs are reviewed annually by Council and at F&P Committee. Deposits less than £80k in each bank account. The number of bank accounts has been rationalised including establishing a higher interest account for Reserves.
Loss or damage of council assets		Review Insurances annually; 3 years LTA began with Zurich June 2024 to June 2027.	9	6	New 3 year insurance arrangement has been started June 2024.

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Accident occurring to a member of staff or public on council premises or at a council run activity.		Lone working policy approved. Annually Review. Accident Book maintained. Insurance in place with Zurich. Risk Assessments are prepared including for the Market, trial Market, Workshop, Hot Pennies and approved by FC for approval for maintenance work eg grass cutting, snow/road warden.	15	6		This risk is managed by each service specific risk assessment. Council is insured as a Corporate Body.
Failure in IT system		ICT service support is outsourced. IT contract issued to Tender February 2022 and awarded to Core IT August 2022. Migrated e-files to Cloud to improve security, business continuity, user accessibility, enable Councillor access and enable compliance with GDPR. The Rialtas financial system is now backed up by Rialtas following ransom attack early 2025.	12	6		CoreIT has the contract to maintain the Council's ICT system and ensure security. Contract reviewed 22/23 and Core IT re-contracted August 2022.
Loss of the General Power of Competence		The Council holds the General Power of Competence until next Elections after May 2023 and employs (from 2021/22) a CiLCA qualified Clerk and Deputy Clerk and adopted the GPC most recently May 2025. The Council adopted the GPC June 2021 and latterly May 2025 and holds a NALC Foundation Level Quality status; Council has applied for NALC Silver Award January 26. The Council has signed January 2023 the Civility & Respect Pledge. There has been a challenge from a member of public to the AGAR 23/24, which the External	10	6		Continue to ensure that limitations on the use of the GPC are maintained, in line with Clerk's and DALC's advice.

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		Auditor has investigated; no further actions needed by HTC.			
Insufficient human resources		HR policies to be retained (recently reviewed by Worknest) and up to date. Resilience risk at Street Market (assistant needed – Town Orderly appointed December 23 and probationary period completed. A Town Clerk’s Assistant has been employed since May 2024 and probationary review completed. Job Evaluation has been undertaken by South West Councils and currently at staff consultation stage. A re-organisation of staffing still underway.	10	8	HR policies recently reviewed by Worknest and approved by HR Committee March 24. Recruitment and retention policies approved. SO and Appraisal Policy to be aligned.
Loss of essential services i.e. Electricity, Water. Gas. For periods longer than 24hrs		Utility service contracts via HCC. Electricity is supplied to the Beehive including via ECOE and its solar roof panels, governed by an Agreement. Council telephones and Broadband upgraded by OneComm with new telephony system and fibre to building. OneComm upgraded new phones. Council website has been intermittent: Vision ICT informed.	3	3	OneComm has improved fibre to Broadband including dedicated/secure link for CCTV.
Failure to respond to an emergency within the boundary of the parish		Reviewed Emergency Plan annually including with DCC and EDDC. Emergency Plan revised and approved May 2024. Testing of EP with EDDC and EA October 2022, flooding event - postponed. Revised EP presented to FC May 24 and approved.	10	6	A review of the HTC Emergency Plan is complete and provided to DCC and EDDC for comment. A TERG exercise planned to be undertaken annually; October 2022 flooding

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						postponed. Council should review/revise and test its Emergency Plan.
Failure to meet Statutory Obligations.		Council is responsible for meeting its lawful and statutory requirements as defined by SO, Code of Conduct and Financial Regs and underpinned by Legislation and Guidance.	12	8		SO, CoC and Financial Regulations reviewed and approved June 2025 and adopted annually. Qualified Town Clerk and RFO employed.
Failure to meet legal obligations. Risk of legal challenge.		Council is responsible for meeting its lawful and statutory requirements as defined by SO, CoC and Financial Regs and underpinned by Legislation and Guidance. Hope & May was appointed as DPO and assisting with SAR/FOI requests and ICO correspondence. Role now provided by Town Clerk.	10	4		SO, CoC and Financial Regulations reviewed and approved June 2025 and adopted annually. Revenue reserve needs to be assessed as adequate.
Actions of Council have a negative impact on community		By-Elections 6 May 2021. Community Governance Review petition received by EDDC December 2021; EDDC reported no further action on CGR but may undertake Boundary Review. Several by-elections since May 23 'all out' elections. Councillors to represent community via election / co-option. Work Programme (of Council Projects identified in October 23) have been prepared. A new list of Priority Projects was approved by Full Council January 26. Cost of by-elections is	16	12		Several Project Implementation Plans (PIPs) have been completed and approved by Full Council; several other PIPs are outstanding. Full Council monitor progress 6 monthly.

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		significant and Council has budget to one pa.				
Failure of Council to fulfil community activity responsibilities		<i>As above</i>	15	6		
Illegal access to Council property		Security measures are in place at The Beehive. Review security methods annually.	8	4		Review annually. Review of key Register completed. Storage containers relocated.
Failure to comply with employment law		HR policies are approved. HR service support has been outsourced to HRSP (now Worknest) specialists. Worknest reviewed existing Council employment policies 23; taken to HR Committee November 23 and FC May 2024. Approved by HR Committee July 24 and Full Council May 25.	15	10		Annual review of HR policies; Annual Council meeting. Maintain Worknest as outsourced HR specialist. Review of the Council's HR policies and procedures is needed and intention to commission professional services.
Inappropriate action by a councillor		Code of Conduct is approved by Council May 2024 and June 2024. Various HR policies are approved July 24. CoC training provided in house (new Cllr	20	8		Policies and procedures are in place including via the EDDC

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		training/induction programme 2023), by DALC and EDDC (October 2023). The Council's Training Policy and CoC require training on the CoC. Standing Orders approved May 24, June 24 and September 24.				Monitoring Officer. New Member training/induction programme to be run again 2026. Check that all Members have received CoC training.
Council owned limited companies fail to provide regular reports		Risk not Active: there are no Council owned companies.	-	-	-	-
Council fail to produce clear and adequate governance to council owned companies.		Risk not Active: there are no Council owned companies.	-	-	-	-
Failure to comply with Health & Safety Legislation		<p>The Council has specific Risk Assessments for services to ensure compliance with H&S legislation eg market and offices at The Beehive. To liaise with the HCC management committee via HTC/HCC monthly Review Meetings.</p> <p>Market RA mitigation measures to be put in place led by the Market Working Group (see Actions).</p> <p>Improvement works at Roundball Wood were commissioned (from JM Hewitt Grounds</p>	15	6		Risk Assessments approved and needed for grass cutting, snow/road warden. H&S site visit made to Market (mid 2022) and RA for Market has been delegated to Market Working Group for actions to be implemented.

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		A Design & Build Tender has been issued October 2025 with December 2025 deadline return date for repair/improvement/rebuilding of the retaining wall.				likely to commence early 2026.