



REDMIRE PARISH  
COUNCIL

## RISK MANAGEMENT STRATEGY



# Parish Council Risk Management Policy & Risk Register

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## **What is Risk Management?**

Risk is the threat that an event or action will adversely affect the council's ability to achieve its objectives and to successfully implement its strategies and services.

Risk management is the process by which risks are identified, assessed, and controlled. It is a key element of the council's governance framework.

This policy has been produced to enable the Parish Council to assess the risks that it faces and to satisfy itself that it has adequate arrangements in place to minimise them. The Council recognises that some risks can never be totally eliminated, however, it has put in place a strategy that provides a structured and systematic approach to minimising risks that may affect the council.

Risk assessment is a systematic examination of the parish council's services & activities, assets, workforce, and external environmental factors that enables the council to identify all potential risks inherent in the place or practices. Based on a recorded assessment the council should then take all practical and necessary steps to reduce or eliminate the risks, as far as is practically possible. Making sure that all employees are made aware of the results of the risk assessment.

This risk register exists to enable the Parish Council to assess the risks it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

- Identify the hazard or activity to be reviewed.
- Identify what risks may exist or arise.
- Evaluate and describe the management and control of the risks and record findings.
- Review, assess and revise if required.

The council has broken down the risks it faces into three categories – Financial, Operational Management and Physical Equipment or Assets. Each of these categories is considered in detail over the following pages; the risks are identified and described together with an evaluation of their significance to the organisation (High, Medium or Low) and arrangements are described for how the council proposes to manage or control the risk to what it considers to be a satisfactory level.

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# REDMIRE PARISH COUNCIL

## Strategic Risk Register

### Introduction

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The Risk Register is a record of identified risks and will be reviewed on an annual basis, the scheme is also a working document and risks will be added/amended or deleted as needed should circumstances change or give rise to the need to re-assess the Councils control measures. The Register is further supplemented with additional assessments regarding specific activities undertaken during the normal working year.

The Parish is following the process of Identification, Quantification, Probability, Impact and mitigation in identifying and managing its risks. In attempting to mitigate risk the Parish Council will; Eliminate the risk, Reduce the risk, Transfer the risk, Share the risk or Insure the risk.

There is a final option for the Council, to decline the risk and not undertake the activity.

The Parish Council, based on the recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks identified.

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
<b>BUSINESS CONTINUITY</b>					
Loss of staff	1. Risk of Council not being able to continue its business due to unexpected circumstances.	Moderate	Med/High	<ul style="list-style-type: none"> <li>Succession planning in place</li> <li>Staffing Committee to manage staff welfare, training &amp; reviews</li> </ul>	<ul style="list-style-type: none"> <li>Develop regular reviews of staff performance and working relationship with the council.</li> <li>High risk of not keeping staff if a stable working environment is not established.</li> </ul>
Loss of IT		Moderate	Low	<ul style="list-style-type: none"> <li>System backed up to the cloud, external ICT support provider, antivirus software, budget available for new hardware.</li> </ul>	<ul style="list-style-type: none"> <li>Annual testing of 'restore' process</li> </ul>
Business Interruption		Significant	Low	<ul style="list-style-type: none"> <li>The Council has a separate Business Continuity Plan (BCP)</li> <li>Option to move to another site/work from home, information (ICT) stored off site.</li> <li>Insured for business losses</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> <li>Add to BCP plan.</li> </ul>
Failure to attract sufficient candidates for Member vacancies or elections	1. Reduced representation of neighbourhoods Lack of resource 2. Possible meeting inquorate	Significant	Low	<ul style="list-style-type: none"> <li>Actively publicise Council activities seek candidates amongst friends and colleagues publicise elections &amp; vacancies on notice boards</li> <li>Publicise elections &amp; vacancies in the Village Hall, WhatsApp group and PC website</li> <li>Publicise elections &amp; vacancies in local newspapers</li> </ul>	
Failure to achieve quorum at meetings	1. Business not transacted Decisions not made	Significant	Low	<ul style="list-style-type: none"> <li>issue annual meeting calendar to all members issue meeting agendas promptly record attendance</li> </ul>	

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
<b>GOVERNANCE</b>					
Governance Documents	1. Interrupt operations if not current & following best practice. Some are legal requirement.	Minor	Med	<ul style="list-style-type: none"> <li>Council undertaking a review in line with best practice.</li> </ul>	<ul style="list-style-type: none"> <li>Complete review of policies and core documents ASAP.</li> </ul>
Challenge from public		Minor	Med	<ul style="list-style-type: none"> <li>Standing orders in place</li> </ul>	<ul style="list-style-type: none"> <li>No action needed</li> </ul>
Reputation of the Council – libel/legal proceedings		Moderate	Med	<ul style="list-style-type: none"> <li>Trained and experienced officers, communication policy, members Code of Conduct.</li> <li>Libel &amp; Slander Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
Lack of public consultation by Council	1. Decisions not based on evidence People disenfranchised	Minor	Med	<ul style="list-style-type: none"> <li>ensure meetings publicised on notice boards</li> <li>Annual Parish Meeting place articles in local newspapers/parish magazine consider leafleting include public participation on all agendas ensure seating available at meeting for public provide advice for members of the public attending publish agendas and minutes on website.</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
Lack of defined objectives or strategy	1. Resources not directed 2. Poor performance 3. Risks not base lined	Moderate	Med	<ul style="list-style-type: none"> <li>Have defined objectives in place.</li> </ul>	<ul style="list-style-type: none"> <li>Council to produce an agreed 3 year Plan.</li> </ul>
Failure to respond to electors wishing to exercise right of inspection	4. Complaints received 5. Not transparent 6. Non compliance	Moderate	Low	<ul style="list-style-type: none"> <li>Clerk to advertise facility, and respond to requests</li> </ul>	
Legislation – General Power of Competence	Acting without proper statutory powers	Moderate	Low	<ul style="list-style-type: none"> <li>Need to have CiLCA qualified Clerk-ensure that at least one member of staff holds the clerks' qualification.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate</li> </ul>

<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Legal Powers	1. Acting Ultra Vires 2. Illegal activity and/or payments	Moderate	Med	<ul style="list-style-type: none"> <li>• Clerk and Councillor training.</li> <li>• All activity and payments resolved/agreed and all actions of the Parish Council noted in the Minutes presented to all members.</li> <li>• The Parish Council has General Power of Competence.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required</li> <li>• Existing procedure adequate</li> </ul>
Failure to comply with relevant legislation	1. Litigation 2. Costs Reputation damage			<ul style="list-style-type: none"> <li>• Maintain membership of YLCA/NALC</li> <li>• Clerk to maintain training</li> <li>• Liaise with internal and external Auditors</li> </ul>	<ul style="list-style-type: none"> <li>• No action required</li> <li>• Existing procedure adequate</li> </ul>
Council decisions not implemented	1. Confidence undermined 2. Reputation risk arises 3. Possible losses	Minor	Med	<ul style="list-style-type: none"> <li>• Clerk to publish marked unapproved Minutes to be considered at next meeting</li> </ul>	<ul style="list-style-type: none"> <li>• No action required</li> <li>• Existing procedure adequate</li> </ul>
Lack of professional advice	Poor decisions made	Moderate	Med	<ul style="list-style-type: none"> <li>• Maintain membership of the YLCA</li> </ul>	<ul style="list-style-type: none"> <li>• No action required</li> <li>• Existing procedure adequate</li> </ul>
Inadequate document control	1. Poor evidence 2. Poor support to Members	Minor	Low	Clerk to establish filing and retrieval system Clerk to enforce document version control	<ul style="list-style-type: none"> <li>• Keep under review</li> </ul>

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
GDPR – Data protection	<ol style="list-style-type: none"> <li>1. Non-compliance with Data Protection Act &amp; GDPR statutory requirements.</li> <li>2. Inadequate policy and</li> <li>3. process for handling any requests received.</li> <li>4. Entry on the national</li> <li>5. Register of Data Controllers becomes out-of-date.</li> <li>6. Risk of disclosure of</li> <li>7. personal information.</li> </ol>	Moderate	Low	<p>The Council is bound by and adheres to the legal requirements of both the Data Protection Act 2018 and General Data Protection Regulation (GDPR).</p> <ul style="list-style-type: none"> <li>• Codes of Conduct &amp; Data Protection policy in place.</li> <li>• Clerks/RFO and members undertaken training.</li> <li>• The Council is registered with the Information Commissioner's Office (ICO) as a Data Controller.</li> <li>• Data/ information audit complete and reviewed regularly.</li> <li>• Privacy notices available on website</li> <li>• Consents log.</li> <li>• Document retention and disposal policy adopted.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual review of Data Policies.</li> </ul>
Freedom of Information	<ol style="list-style-type: none"> <li>1. Non- compliance with Freedom of Information Act statutory requirements</li> <li>2. Inadequate policy and process for handling any requests received.</li> </ol>	Moderate	Low	<ul style="list-style-type: none"> <li>• Council has a Model Publication scheme available on the website and hard copy from the Clerk.</li> <li>• Responses to be accurate and timely.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop Freedom of Information request policy</li> </ul>
Members Interests	<ol style="list-style-type: none"> <li>1. Conflict of interests/Members acting outside of Nolan Principals.</li> <li>2. Conflicts of interest are not properly declared and/or recorded.</li> <li>3. Registers of interests are not up-to-date, inaccurate or misleading.</li> </ol>	Minor	Med	<ul style="list-style-type: none"> <li>• A standing item on the Agenda serves as a reminder to Councillors to declare pecuniary interests and conflicts of interest in meetings.</li> <li>• Register of members interest forms are reviewed by Councillors, particularly when personal circumstances alter.</li> <li>• Responsibility of individual member to declare said interests.</li> </ul>	<ul style="list-style-type: none"> <li>• Accept the risks. It is the responsibility of each councillor to conduct himself/herself in a way that precludes the risk.</li> </ul>

<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Statutory Obligations regarding documents (Minutes, Agendas etc.)	<ol style="list-style-type: none"> <li>Are inaccurate, incomplete, not comprehensive and/or fail to follow statutory requirements and published guidelines.</li> <li>Loss of Minutes</li> <li>Lack of transparency</li> </ol>	Minor	Low	<ul style="list-style-type: none"> <li>Agendas and notices are produced by the Clerk in the prescribed manner and adhere to legal requirements.</li> <li>Agendas are produced in consultation with the Chairman and published in accordance with statutory timescales.</li> <li>Agendas and Minutes are displayed according to legal requirements.</li> <li>Minutes produced in the prescribed manner by the Clerks and adhere to legal requirements.</li> <li>Minutes are approved, signed and dated at the next meeting of the Council/Committee.</li> <li>More recent minutes on website &amp; backed up to the cloud.</li> <li>Minutes and Draft Minutes available in office and on the Website.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> <li>Continue to update the website regularly.</li> </ul>
Council Records - Electronic and Hard Copy	<ol style="list-style-type: none"> <li>Loss through e.g., theft, fire, damage and/or ICT corruption.</li> </ol>	Moderate	Low	<ul style="list-style-type: none"> <li>Current and Parish Council records from more recent years are stored at the Clerks home office. All files are stored in the OneDrive which is cloud hosted.</li> </ul>	<ul style="list-style-type: none"> <li>Accept but monitor the risks.</li> <li>Damage, apart from fire, is low risk and acceptable. Theft is extremely unlikely. Other risks are necessarily acceptable as there is no obvious alternative.</li> </ul>
Meetings	<ol style="list-style-type: none"> <li>Adequacy and appropriateness of venues for needs of Council and inaccessible for members of the public.</li> <li>Health and safety of Premises.</li> </ol>	Minor	Low	<ul style="list-style-type: none"> <li>All meetings of Redmire Parish Council are held in the Village Hall, Redmire which has adequate facilities for the hosting of meetings.</li> <li>Any health and safety concerns are the responsibility of the Village Hall Management group.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Accept the risks. Existing locations adequate.</li> </ul>
Confidential Matters	<ol style="list-style-type: none"> <li>Items not accurate and Legal.</li> </ol>	Moderate	Med	<ul style="list-style-type: none"> <li>On Agenda and minutes are available to the public.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure minutes of confidential items are do not reveal confidential Information.</li> </ul>



<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Health & Safety		Moderate	Low	<ul style="list-style-type: none"> <li>Individual Risk Assessment for activities, training, inspections regimes, testing, professional contractors.</li> <li>Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Annual review of Risk Assessments</li> </ul>
<b>Insurance</b>	1. Adequate- Insurance provision inadequate for the risk identified 2. Cost prohibitive- best value practice not undertaken	Moderate	Low	<ul style="list-style-type: none"> <li>Insurance cover is subject to an annual review by the Council to ensure it is adequate, includes all relevant assets and provides for appropriate risk.</li> <li>Cost of insurance provision and service provided by said provider reviewed annually.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate</li> </ul>
Contract Awards	1. Compliance with legislation/ governance documents.	Minor	Low	<ul style="list-style-type: none"> <li>Standing orders/ Financial Regulations</li> <li>Prepare specification, determine on price and quality.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review</li> </ul>
Asset Register	Risk if assets not properly recorded & valued	Moderate	Low	<ul style="list-style-type: none"> <li>Asset Register is updated and reviewed annually.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate</li> </ul>
Internal Audits	1. Failure to secure Internal Audit 2. Non-compliance with audit requirements	Minor	Low/ Med	<ul style="list-style-type: none"> <li>Prepared Audit Brief. Requested proposals/quotes.</li> <li>requirement in Financial Regulations that Council must agree response to each recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>Need to appoint Internal Auditor at the mid-year to secure audit.</li> </ul>

<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Annual Governance and Accountability Return (AGAR)	<ol style="list-style-type: none"> <li>1. Not submitted on time.</li> <li>2. Failure to adhere to audit requirements.</li> <li>3. Errors in records/submission.</li> <li>4. Failure to publicise accounts.</li> </ol>	Minor	Low	<ul style="list-style-type: none"> <li>• The Council has Financial Regulations which set out the requirements in addition to those defined by the statutory audit process. Guidelines and help available ensure risks associated with the process are minimal. Similarly, there is a low risk of errors given Council financial monitoring and management procedures. The AGAR is scrutinised by both the Council and internal auditor prior to submission to the external auditor.</li> <li>• Any errors or omissions would result in minor fines</li> </ul>	<ul style="list-style-type: none"> <li>• Accept the risks. Existing procedures effective and adequate.</li> </ul>
Councillors	<ol style="list-style-type: none"> <li>1. Act inappropriately and beyond their legal boundaries</li> <li>2. Lack of transparency</li> <li>3. Lack of membership/quorum</li> </ol>	Moderate	<p>High</p> <p>Med</p> <p>Low</p>	<ul style="list-style-type: none"> <li>• Clerk responsible for ensuring Declaration of office is signed and Code of conduct is issued alongside starter pack given. Members responsible for declaring interests. Council encourages councillors to participate in work.</li> <li>• Declaration of interest forms displayed on Website.</li> <li>• Attendance and apologies recorded for meetings. Care over quorum.</li> <li>• Clerk responsible for notifying casual vacancies to Unitary Council and advertising in accordance with legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• Member Officer Protocol in place</li> </ul>

[illegible]

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
Precept capping	1. Risk of a cap coming into force in the near future.	Significant	Med/ High	<ul style="list-style-type: none"> <li>Ensure the Council has an earmarked funds and reserves policy.</li> </ul>	<ul style="list-style-type: none"> <li>Develop reserves policy</li> <li>Develop medium term financial plan</li> </ul>
Financial Failure	1. Inadequate funds to cover financial outgoings.	Significant	Low	<ul style="list-style-type: none"> <li>Financial Regulations in place, regular financial</li> <li>Reporting.</li> <li>Audit process.</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
Financial loss/fraud		Significant	Low	<ul style="list-style-type: none"> <li>Financial Regulations, trained staff, segregation of duties, authorisation process, financial reporting, audit process,</li> <li>Requirements of Fidelity Guarantee within insurance provision.</li> <li>Fidelity Insurance Cover £250,000.</li> <li>Regular checks and internal controls on financial activity</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
Bank & Banking	1. Inadequate checks of bank transactions. 2. Mistakes. 3. Loss. 4. Charges incorrect	Moderate	Low	<ul style="list-style-type: none"> <li>The Council Financial Regulations set out the requirements for banking, cheques, payments, electronic banking and the reconciliation of accounts.</li> <li>Financial Regulations are reviewed annually.</li> <li>Trained staff, segregation of duties,</li> <li>Financial reporting alongside regular bank reconciliation statements produced, at each Council meeting such that any problems, albeit rare, can be identified and resolved at the earliest.</li> <li>Bank statements are checked quarterly as a minimum, In practice, the Clerk checks more frequently on-line.</li> <li>Annual audit process ensures that proper accounting processes are kept.</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> <li>Accept the risks. Existing procedures effective and adequate</li> </ul>

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
Cash	1. Fraud by staff- loss through, theft or dishonesty	Moderate	Med	<ul style="list-style-type: none"> <li>Financial Regulations are followed</li> <li>Trained staff</li> <li>Cash is counted with 2 members present.</li> <li>Segregation of duties</li> <li>All cheques must be signed by two councillors. The risks are low.</li> <li>Fidelity insurance is in place.</li> <li>Insurance cover in place for holding of cash in secure safe on site.</li> <li>Regular monthly financial reporting &amp; bank reconciliations</li> <li>Audit process in place.</li> </ul>	<ul style="list-style-type: none"> <li>Accept the risks. Existing procedures effective and adequate.</li> </ul>
Fraud	1. Reputation 2. Costs, Litigation			<ul style="list-style-type: none"> <li>Adequate internal audit</li> <li>Regular reporting to members</li> <li>Control systems for managing expenditure</li> </ul>	
Goods & Services	3. Goods not supplied but invoiced. 4. Cheque payable incorrect 5. Invoices incorrect.	Minor	Low	<ul style="list-style-type: none"> <li>Financial Regulations and Standing Orders set out the requirements for the ordering of supplies and services, and procedures for dealing with invoices and payments.</li> <li>No payment is made for goods not received or services not supplied.</li> <li>All invoices are checked for accuracy.</li> <li>Payments must be authorised by the Council, with cheques and invoices requiring a minimum of two signatories.</li> <li>Council meeting includes a agenda item payments for the potential approval of councillors</li> </ul>	

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
Financial Reporting and Auditing	<ol style="list-style-type: none"> <li>1. Information is inaccurate, inadequate, not up-to-date and/or misleading.</li> <li>2. Communication is ineffective and/or confused.</li> <li>3. Poor and inefficient internal auditing.</li> <li>4. Ineffective external auditing.</li> </ol>	Moderate	Low	<ul style="list-style-type: none"> <li>• A report on the current financial position is presented to each Council meeting for scrutiny and consideration which includes a review of the net position &amp; any variances.</li> <li>• Monthly situations are approved by the Council, alongside the regular payments &amp; receipts.</li> <li>• Subject to examination by the internal auditor and then external auditor.</li> <li>• The resultant position is then, as required by law, made available to the public.</li> </ul>	
Financial Recording	<ol style="list-style-type: none"> <li>1. Records are inadequate, inaccurate and/or not up to date.</li> <li>2. Financial irregularities.</li> </ol>	Moderate	Low Low	<ul style="list-style-type: none"> <li>• Bank reconciliations and payments schedules are produced for each meeting and payments approved. Analyses of budget vs. actual are also provided periodically.</li> <li>• Records are reported as above and managed by the RFO according to detailed Financial Regulations (based on those produced by NALC).</li> <li>• The Regulations are reviewed each year.</li> <li>• Financial recording is subject to comprehensive annual scrutiny by the Council's internal auditor before submitted for external audit.</li> </ul>	<ul style="list-style-type: none"> <li>• Review of the councils internal control measures.</li> <li>• Accept the risks as the situation is monitored regularly. Existing procedures effective and adequate.</li> </ul>

<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Salaries and PAYE	1. Salary paid incorrectly. 2. Wrong hours paid. 3. Wrong rate paid. 4. PAYE not paid to HMRC on time.	Minor	Low	<ul style="list-style-type: none"> <li>Salaries are subject to annual review by the Council.</li> <li>Time sheets kept.</li> <li>The Council is registered as an employer with HMRC whose on-line real-time PAYE facility is operated by the Clerk.</li> <li>PAYE is paid by Direct Debit.</li> <li>There is a risk of payments being late if there is an issue with the DD which would trigger fines by HMRC. However, this is not a serious risk.</li> <li>HMRC PAYE payments shown on the payments report.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Accept the risks. Existing procedures effective and adequate.</li> </ul>
Grants	1. Council does not monitor income (Grants received or Loans)	Minor	Low	<ul style="list-style-type: none"> <li>All loans and grants received are discussed and their expenditure is approved by the Council.</li> </ul>	<ul style="list-style-type: none"> <li>Accept the risks</li> </ul>
Best Value Accountability	1. Work awarded incorrectly 2. Overspend on services	Moderate	Low	<ul style="list-style-type: none"> <li>The Council practice requires the seeking of more than one quotation for any significant work required to be undertaken or goods purchased.</li> <li>For more substantial contracted services, competitive tenders would be sought.</li> <li>All procedures are set out in Standing Orders and Financial Regulations.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>
VAT	1. Council does not claim back appropriate VAT. 2. Council does not charge appropriate VAT.	Minor	Low	<ul style="list-style-type: none"> <li>Financial regulations set out requirements</li> <li>VAT returns made annually via a VAT126 submission.</li> <li>Internal Auditor checks Annually.</li> <li>Refunds from HMRC for reclaimed VAT noted in receipts lists.</li> <li>VAT incurred displayed in separate column on cashbook.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
Annual Return (HMRC)	1. Submission within time frame limits to avoid financial penalties	Minor	Low	<ul style="list-style-type: none"> <li>Employers Annual Return to HMRC completed and submitted online within the required time frame by the Clerk/RFO,</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>
Annual Return (to external auditors)	1. Submission within time frame limits to avoid financial penalties	Minor	Low	<ul style="list-style-type: none"> <li>Figures for Annual Return presented to the Council for approval and signing.</li> <li>Subsequently sent to internal auditor for completion and signing before being sent for External Audit.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>
Public Liability	1. Adequacy 2. Costs 3. Compliance	Moderate	Low Low Low	<ul style="list-style-type: none"> <li>Council reviews the insurance arrangements and policy content at least two months prior to renewal. New assets are added to the policy immediately.</li> <li>Insurance cover (Employers Liability GBP 10,000,000, Public Liability GBP 10,000,000)</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
Unbudgeted costs	1. Inadequate funds to cover costs	Moderate	Med	<ul style="list-style-type: none"> <li>Reserves in place, financial reporting, ensure projects reviewed, costed and reported.</li> </ul>	<ul style="list-style-type: none"> <li>Review earmarked reserves annually</li> <li>Develop a reserves policy</li> <li>Keep under review</li> </ul>
Failure to stay within agreed budgets	1. Inadequate control 2. Potential wasted resources	Moderate	Med	<ul style="list-style-type: none"> <li>Clerk to review</li> <li>Internal auditor to check Reserves Policy to mitigate short-term impact of loss.</li> </ul>	<ul style="list-style-type: none"> <li>Develop Medium Term Financial Plan linked to Council Strategy.</li> </ul>
Medium Term Financial Plan	1. Inadequate funds to cover costs	Moderate	Med/ High	<ul style="list-style-type: none"> <li>Need to plan for longer term.</li> </ul>	<ul style="list-style-type: none"> <li>Develop Medium Term Financial Plan linked to Council Strategy.</li> </ul>
Election Costs	1. Costs. 2. Opportunity costs should no persons come forward to fill vacancies.	Moderate	Med	<ul style="list-style-type: none"> <li>There is no guarantee that any councillor vacancy, even in an election year, will require a formal ballot.</li> <li>Ahead of an election year, such costs are budgeted. In between election years any vacancy may incur costs for which there is no planned provision.</li> </ul>	<ul style="list-style-type: none"> <li>No further action required existing procedures effective and adequate</li> <li>Accept the risks but ensure that action is taken, especially in election years, to advertise opportunities - not least, to enhance and encourage the local democratic process.</li> </ul>



CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
Holding excessive or inadequate reserves	Auditors report Poor use of resources Inability to meet commitments	Minor	Low	<ul style="list-style-type: none"> <li>Clerk to review as part of budgeting</li> <li>Reserves Policy to set percentage of precept.</li> <li>Council to review size of Reserves</li> </ul>	<ul style="list-style-type: none"> <li>No further action required.</li> </ul>
<b>PLAY AREAS</b>					
Maintenance & Play Equipment	1. Damage to equipment. 2. Injury to third party	Significant	Low/Med	<ul style="list-style-type: none"> <li>visual inspections carried out.</li> <li>Inspections are logged and recorded.</li> <li>Operational and maintenance inspection undertaken to ensure play facilities are well maintained and repaired as required.</li> <li>Annual (ROSPA) inspections (by trained individual) of play area.</li> <li>Clerk possesses emergency powers to deal with urgent repairs.</li> <li>Third party (Public) liability insurance and equipment insured.</li> </ul>	<ul style="list-style-type: none"> <li>No further action required.</li> </ul>
Environmental hazards (litter/fouling)	1. Risk to third parties	Minor	Low	<ul style="list-style-type: none"> <li>No dogs permitted in the play areas-signage in place.</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
<b>BUS SHELTER</b>					
	1. Impact damage 2. Vandalism Cost of Replacement			Repair cost Dated insurance including Public Liability	Check Insurance cover

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
<b>TREES</b>					
Management	1. Damage to equipment. 2. Risk to third parties.	Minor	Low/High	<ul style="list-style-type: none"> <li>Regular inspection by grounds maintenance contractor picks up ongoing issues.</li> <li>Any report from members of the public acted on swiftly.</li> <li>Clerk possesses emergency powers to deal with urgent maintenance work.</li> </ul>	<ul style="list-style-type: none"> <li>Develop annual inspection regime.</li> <li>Open spaces provision to be considered by the Council alongside:</li> <li>Tree management policy,</li> <li>Tree register,</li> <li>Regular inspections by qualified and experienced contractor/ individual, update risk assessments</li> </ul>
Maintenance	1. Possible danger to third parties from: low hanging branches, dead wood falling, dropping branches and collapse	Moderate	Low/High	<ul style="list-style-type: none"> <li>Third Party Liability Insurance.</li> </ul>	<ul style="list-style-type: none"> <li>Develop tree management policy</li> <li>List of suitable qualified and experienced contractors.</li> <li>Dead, Dying and Dangerous, Tree management policy,</li> <li>An annual tree survey by arboriculturist provides a risk-based report on which the Council may act.</li> </ul>
<b>OPEN SPACES</b>					
Maintenance	1. Injury to third parties	Minor	Low	<ul style="list-style-type: none"> <li>Regular inspections, report</li> <li>logging, appropriate</li> <li>contractors, work schedules</li> <li>Areas kept well maintained, grass and bushes cut back. Weekly walk through by clerk (or nominated councillor(s). Any reported problems acted upon quickly</li> </ul>	<ul style="list-style-type: none"> <li>Contract monitoring</li> </ul>

<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Litter	1. Injury to third parties	Minor	Low	<ul style="list-style-type: none"> <li>Regular inspections, report logging, appropriate contractors, work schedules</li> <li>Staff issued PPE</li> </ul>	<ul style="list-style-type: none"> <li>Contract monitoring</li> </ul>
Benches & Street Furniture (benches/bins)	1. Damage to item/injury to third party.	Minor	Low	<ul style="list-style-type: none"> <li>Regular inspection to identify any items needing repair or replacement, budget for provision in place.</li> <li>Memorial dedication policy in place to ensure that maintenance of memorial benches/trees is the responsibility of the family.</li> <li>Clerk possesses emergency powers to deal with urgent maintenance work.</li> <li>Third party liability insurance and furniture insured.</li> </ul>	<ul style="list-style-type: none"> <li>No action required <ul style="list-style-type: none"> <li>Existing procedure adequate.</li> </ul> </li> </ul>
Notice Boards	1. Damage to item/injury to third party 2. Vandalism Impact Damage 3. Cost of Replacement	Minor	Low	<ul style="list-style-type: none"> <li>Insurance and maintenance.</li> <li>Clerk to inspect when putting up notices</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>
Defibrillators	1. Loss, e.g., fire or damage. 2. Failure to operate on demand. 3. Potential litigation if failure to operate	Significant	Med	<ul style="list-style-type: none"> <li>Necessarily, the device is housed in a readily accessible location but one in which it could be damaged.</li> <li>Regular inspections by volunteer to check the machine and cabinet to monitor its condition and any potential problems. Inspections recorded online on the circuit (the national defib network).</li> <li>If the machine is out of action this is reported online so that the ambulance service are aware.</li> <li>Spare pads always available in case.</li> <li>Clerk has delegated powers to purchase replacement pads.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> <li>Damage is low risk and theft unlikely.</li> </ul>

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
Memorial(s)	1. Damage or destruction	Significant	Low	<ul style="list-style-type: none"> <li>An annual review of all Council assets is undertaken, including the Memorial, both for insurance and maintenance provisions.</li> </ul>	<ul style="list-style-type: none"> <li>Risk accepted given that there are no realistic mitigation measures that can be taken.</li> <li>Check Insurance cover</li> <li>Dated insurance, including Public Liability</li> <li>Make contingency provision in Parish Council Reserves</li> </ul>
<b>OFFICE EQUIPMENT</b>					
Laptop & Printer	1. Cost of replacement 2. Repair costs 3. Accidental Damage	Moderate	Med	<ul style="list-style-type: none"> <li>Ensure that insurance covers the laptop.</li> </ul>	<ul style="list-style-type: none"> <li>Dated Insurance Including Public Liability</li> <li>Make contingency provision in Parish Council Reserves for replacement.</li> </ul>
<b>DATA</b>					
Storage of Personal Data	1. Data Protection Act compliance 2. Freedom of Information compliance	Moderate	Med  Low	<ul style="list-style-type: none"> <li>Staff training in this area. The Council is registered as a data controller under the DPA</li> <li>The Council has a Publication Scheme which is reviewed annually. The Council's document retention policy controls how long information is retained and disposed of.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>
Storage of Documents (Paper)	1. Loss from fire, water or other damage	Minor	Low	<ul style="list-style-type: none"> <li>Essential documents now held in a fireproof secure cabinet or the safe room.</li> </ul>	<ul style="list-style-type: none"> <li>Look into arrangements to transfer old archive all pre-2000 Minutes to the NYCC central library archives.</li> </ul>
Storage of Documents (Digital)	1. Loss of vital data, breach of data security	Minor	Med	<ul style="list-style-type: none"> <li>The Council's electronic records are stored on the Council's computer(s) &amp; personal computers of the Clerks in the Dropbox cloud.</li> <li>All documents are backed up onto computers and on cloud storage. Passwords changed on a regular basis.</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
<b>STAFFING</b>					
Staff Management	1. Actions undertaken by staff	Moderate	Low	<ul style="list-style-type: none"> <li>The Staffing Committee acts as the employer for exercise of duty of care with regular review meetings.</li> <li>The Chairman of the Council is the Clerks line manager and has updates with the Clerk/RFO on a regular basis</li> </ul>	<ul style="list-style-type: none"> <li>No action required</li> <li>Existing procedure adequate.</li> </ul>
HR Issues	1. Employment issues 2. Tribunal & Disciplinary	Moderate	Low	<ul style="list-style-type: none"> <li>Professional bodies employment updates- circulated to members.</li> <li>Staffing Committee in place</li> <li>Detailed contract of employment in place</li> <li>Grievance &amp; Disciplinary procedure in place</li> </ul>	<ul style="list-style-type: none"> <li>Existing procedure adequate</li> <li>Keep under review</li> </ul>
Staff Health	1. Injury at work or illness as a result of work	Moderate	Med	<ul style="list-style-type: none"> <li>Employers Liability Insurance, Safe Working Policy to cover Lone Working. Risk assessments for all activities undertaken by staff. H&amp;S policies including First Aid for staff, manual handling, Safe use of Equipment and reporting of Incidents (RIDDOR and HSE)</li> </ul>	<ul style="list-style-type: none"> <li>Staffed trained in equipment use, equipment only used for the purpose it's provided for, equipment maintained to recommended manufacturer requirements.</li> <li>Staff issued with PPE and replaced when damaged.</li> </ul>
Working conditions	1. Council non-compliant with contractual obligations; leading to discontented workforce. 2. Loss of key staff	Moderate	Med/ High  Med/ High	<ul style="list-style-type: none"> <li>Succession planning- business continuity document in place.</li> <li>Open Actions Log reviewed regularly by staff.</li> </ul>	<ul style="list-style-type: none"> <li>Develop regular reviews of staff performance and working relationship with the council.</li> <li>Ensure all staff have access to reviews etc.</li> </ul>
Anti-Social behaviour towards staff	1. Loss of key staff	Moderate	Med/ High	<ul style="list-style-type: none"> <li>Councillors- must be adequately advised of their responsibilities and culpability.</li> <li>Code of conduct in place</li> <li>Open Actions Log reviewed regularly by staff.</li> </ul>	<ul style="list-style-type: none"> <li>Review training needed</li> <li>Development of Lone working policy and member officer protocol</li> </ul>

<b>CATEGORY AREA/ Description</b>	<b>Risk</b>	<b>Impact</b>	<b>Probability</b>	<b>Controls</b>	<b>Actions</b>
Employees	1. Loss of Clerk's	Moderate	Med	<ul style="list-style-type: none"> <li>A locum clerk may be available through contact with YLCA.</li> <li>Business continuity policy created by Clerk in place.</li> </ul>	
Employees	1. Fraud by staff. 2. Unauthorised or unapproved actions by staff.	Moderate	Low	<ul style="list-style-type: none"> <li>Essential training is provided to the Clerk who also has access to help and advice from NALC, YLCA and Chairman.</li> <li>The Clerk's responsibilities are laid out clearly in the job description and only decisions taken by the Town Council are enacted by the Clerk.</li> <li>While the Clerk is the Responsible Financial Officer, spending requires Council approval, and all cheques must be signed by two councillors. The risks are low.</li> </ul>	<ul style="list-style-type: none"> <li>Accept the risks. Existing procedures effective and adequate.</li> </ul>
Volunteers	1. Fraud by Volunteers. 2. Unauthorised or unapproved actions by Volunteers.	Moderate	Low	<ul style="list-style-type: none"> <li>Ensure work agreed, risk assessed and supervised, volunteers trained in areas of work, Volunteer code of conduct.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review</li> </ul>
Employer Liability		Significant	Low	<ul style="list-style-type: none"> <li>Insurance in place.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review</li> </ul>
Lone Working	1. Safety concerns for members working remotely	Minor	Med	<ul style="list-style-type: none"> <li>Lone worker policy</li> </ul>	<ul style="list-style-type: none"> <li>Develop policy</li> </ul>

CATEGORY AREA/ Description	Risk	Impact	Probability	Controls	Actions
<b>USE OF CONTRACTORS</b>					
various injuries, etc.	1. Injury to persons 2. Damage to property 3. Health & Safety concerns 4. Work is not up to standard required	significant	low	<ul style="list-style-type: none"> <li>• All contractors asked for Health and Safety Policy.</li> <li>• Contractors asked to produce risk assessments for the associated work activities.</li> <li>• Contractor to have public liability insurance cover of at least £5 million..</li> <li>• All electricians used are NICEIC registered and contractors servicing gas appliances are CORGI registered.</li> <li>• Contractors handling sanitary waste, clinical waste, herbicides, pesticides etc are appropriately licensed.</li> <li>• Evidence of registration and licence is obtained.</li> <li>• Contracts or purchase orders are in place for works.</li> <li>• Work of all contractors is monitored.</li> <li>• Records of monitoring activities is kept.</li> </ul>	<ul style="list-style-type: none"> <li>• Keep under review</li> </ul>
CATEGORY AREA/	Risk	Impact	Probability	Controls	Actions

Description					
<b>HOUSING</b>					
Periods where the house might be unoccupied	1. Properties are empty for a period of time 2. Loss of rental income 3. Additional costs- Council Tax and utilities 4. Security concerns with the property being empty	Moderate	Med	<ul style="list-style-type: none"> <li>Tenancy agreement includes a notice period of 1 month</li> <li>Maintain a good relationship with tenants.</li> <li>Advertise any vacancies as soon as notice is received.</li> </ul>	<ul style="list-style-type: none"> <li>Keep under review</li> </ul>
Liability and legal risks	1. Health & Safety 2. Claims made by tenant against the council	significant	Low	<ul style="list-style-type: none"> <li>Insurance cover and policies in place</li> </ul>	<ul style="list-style-type: none"> <li>Ensure insurance cover is adequate</li> </ul>
Maintenance	1. Building gets into disrepair 2. Additional unbudgeted costs	Moderate	Med/High	<ul style="list-style-type: none"> <li>Maintenance schedule,</li> <li>develop replacement schedule, contracts in place,</li> <li>budget provision for maintenance and controlled replacement</li> </ul>	<ul style="list-style-type: none"> <li>Develop a maintenance schedule for the Parish Houses.</li> <li>Keep under review</li> </ul>
Non-payment of rent	1. Loss of rental income 2. Potential legal fees to recover cost/ evict the tenants	significant	med	<ul style="list-style-type: none"> <li>Tenants pay in advance</li> </ul>	<ul style="list-style-type: none"> <li>Check rental payments are received on time and reconcile the bank monthly.</li> </ul>
Property is damaged by tenants	1. Costly repairs to rectify any damage	significant	Med	<ul style="list-style-type: none"> <li>A bond or rental payment is taken in advance to cover any damages when the tenant leaves.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure the properties are inspected annually by the council.</li> </ul>

Adopted by the Council:

Date of Last Review

May 2024

Next Review due May 2025



# REDMIRE PARISH COUNCIL

## Financial Risk Assessment

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The Council has looked at the financial risks that it must deal with and resolved to adopt the following policy.


1. **Handling Cash**  
The Town Council does not handle cash
2. **Employers liability**  
The council insurance policy with Zurich provides employers liability cover of £10,000,000.
3. **Public liability**  
The council has public liability cover to £10 million under its policy.
4. **Fidelity guarantee**  
The council has fidelity guarantee cover to £100,000.
5. **Contracts and tendering**  
The council has a standing order in place for contract, which is mandatory. (See council's standing orders on business).
6. **Banking arrangements**  
Two councillors are cheque/bank signatories alongside the Clerk. Two councillor signatures are required by the bank and in law. Cheques are only signed at meetings of the council. The clerk also has access to telephone/online banking. The Clerk is the only person registered to use this service and it can only be used to transfer money between accounts and check balances.  
  
The Council uses online banking and the BACS system to make payments and the following measures are in place to minimise risks in this process the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments are reported to council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.
7. **Bank reconciliation**  
The council receives a monthly budget against spend statement, including bank balances, and copies of bank reconciliation statements to accord with the period of the reconciliation.
8. **Financial records**  
The financial records are kept on an excel spreadsheet and this is backed up the OneDrive cloud. This is updated prior to each monthly meeting.
9. **Internal audit**  
The council has appointed an independent internal auditor. An audit is carried out in April/May each year.
10. **Internal control**  
The council has established a system of internal control and set criteria for the appointed councillors to work to. Two councillors are appointed at the annual meeting to undertake the internal control checks throughout the year as agreed in the council's policy (see Financial Regulations).

11. **PAYE and Workplace Pensions Compliance**

The council receives evidence of PAYE payments to HMRC via print outs of the P32 forms and compliance with its duties in respect of automatic enrolment and workplace pensions (i.e. declaration of compliance and list of monthly pension payments)

**Financial Risk Assessment adopted at a meeting of Redmire Parish Council held on**

.....  
**Responsible Financial Officer**

A handwritten signature in cursive script, appearing to read 'Charlotte Smith'.

Mrs Charlotte Smith

## Appendix C

# General Insurance Cover

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### **Part A - Property Damage and Business Interruption**

#### **Section 1 - Property Damage**