



FRESHWATER PARISH COUNCIL RISK REGISTER

FINANCIAL RISKS ASSESSMENT AND MANAGEMENT 2024-2025

Definition of Risk Management

Risk is the threat that an event or action will adversely affect an organization's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

Freshwater Council members are ultimately responsible for risk management because risks threaten a council's ability to achieve its objectives.

In all the services it provides, Freshwater Parish Council will seek to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimize them.

Purpose of Document:

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimize them. The Council is aware that although some risks can never be eliminated fully, it has in place a strategy that provides a structures systematic and focused approach to manage risk.

In conducting the exercise, the following plan was followed:

- Identify the subject or areas to be reviewed.
- Identify what the risk may be.
- Identify the level of risk.
- Evaluate the management and control of the risk and record all findings
- Review, assess and revise if required.
- Risk levels, high, medium and low (H,M,L).

MANAGEMENT AND STAFFING RISKS

<p>Business Continuity</p>	<p>Council not being able to continue its business due to an unexpected or a tragic circumstance.</p> <p>Due to change in staff records lost or information forgotten.</p>	<p>M</p> <p>M</p>	<p>All files and recent records are kept in the office at Memorial Hall. Automatic back up system in place. Should our building be uninhabitable staff can work from home or another building can be rented.</p> <p>All ICT equipment needs to be updated with a view to looking at introducing VOiP so staff can work from home effectively in an emergency with subject to access to hard copy documents.</p> <p>Security of Computer System Review. The Clerk makes regular back up of data files. Historical records have been logged and archived. All files and recent records are kept in the office.</p>
<p>Council Records</p>	<p>Loss through theft or fire damage. Corruption of computer</p> <p>Council unable to continue its business due to an unexpected or tragic circumstance.</p> <p>Loss of vital information.</p>	<p>M</p> <p>L</p> <p>M</p>	<p>Security of Computer System Review. The Clerk makes regular back up of data files as well as the RFO. Historical records to be logged and archived.</p> <p>All files and recent records are kept in the office.</p> <p>Identify all licenses and contracts, create a file listing regular tasks Central procedures and Register of Licenses and procedures. Ensure a fire alarm system is installed and regularly checked. All records kept in Locked metal cabinet at the Council office</p>
<p>Paper Records and Electronic Records and Deeds</p>	<p>Loss through theft fire or damage.</p>	<p>M</p>	<p>To ensure paper records are kept safe, scan and store digitally in cloud-based storage which is automatically backed up and also as an addition some important documents keep copies on a pen. Deeds and vital information should be stored in a fireproof box and kept secure.</p> <p>Back-ups records are checked at least annually to ensure they can be accessed.</p>
<p>Risk Assessments</p>	<p>Risk assessments to be in place for all the Councils' provisions and are undertaken for each Council Event.</p>	<p>M</p>	<p>Risk Assessment should be reviewed on an annual basis.</p>
<p>Insurance of Assets</p>	<p>Failure to have adequate insurance cover.</p>	<p>H</p>	<p>To review asset insurance cover annually prior to renewal of insurance.</p>

Meeting Location	Accessibility Adequacy Health and Safety	L	Accessibility is via a lift. Meetings are held in the Memorial Hall in the Council Chamber which has a full risk assessment of the premises and is fully compliant. unless due to Government Restrictions and then they are held by Zoom..
	Accessibility	M	Accessibility is via a lift
	Staff Safety	M	Secure door system installed for staff safety.
	Public Liability, Employer Liability		Insurance in place to cover this eventuality. Insurance in place to cover this eventuality.
	Fidelity Insurance	L.	Insurance in place to cover this eventuality.
Clerk/RFO	Loss of qualified Clerk or RFO	M.	The council must understand and support the Clerk's role. Councillors must adhere to their own specific roles and responsibilities only and not interfere with the Clerk's. Councillors cannot instruct staff. The Council has a Deputy Clerk and RFO. Support of Experienced Locum Clerk can be obtained to support Deputy or RFO in the interim.
	Loss of General Power of Competence through Clerk leaving, or number of elected Councillors reduced.	H.	The Council must revert in future to using Local Government Acts to carry out the Council's business that was previously covered by the General Power of Competence. This can only be reversed if 80% of the Councillors are elected. Co-option does not count and in the case of a new Clerk being appointed they have to have the Certificate in General Power of Competence or passed this in a module when becoming CiLCA qualified and 80% of the Councillors are also elected.
Data Protection	Compliance with the Law. Freedom of Information requests.	M	Council must act within the law on GDPR and the Data Protection Act. Council to deal with Freedom of Information Act requests if compliant within working time scale.

FINANCIAL RISKS

Area	Risk	Level	Management/Control
Fraud, loss through theft or dishonesty.	Fidelity Guarantee insurance	M	The requirements of Fidelity Guarantee insurance must be adhered to being sent to the Audit Commission for external Audit.
	Financial Control Checks and scrutiny not carried out.	L.	Internal controls are in place; payments, receipts and banking reconciliations invoices are checked and signed monthly by 2 members of the Council and monthly expenditure reported to the Council at each monthly meeting.
Proper financial records	Records must be held in accordance with statutory requirements	L	Records reviewed by Councillors regularly and audited annually by internal auditor RFO is qualified.
Cash	Loss through theft or dishonesty	L	All receipts to be kept a record of and reconciled monthly. Petty cash to be kept securely in a locked place.
Banking	Bank Statements	M	All Payments to be made by BACS and checked against the bank statement
Employment Law and HMRC obligations	Ensuring all requirements are met.	L	Payments to HMRC are checked by two Councillors monthly. Reviewed also by Internal Audit. HMRC Payments sent monthly.
VAT	Ensuring all requirements are met.	L	Vat to be reclaimed by RFO at least quarterly
Annual Precept	Ensuring accuracy within sound budgeting arrangement. In addition, Precept is supported by other sources of income.	L	Accurate predictions of income and expenditure are required together with a built-in contingency plan. RFO attends Council Meeting to keep Councillors updated.
Election Costs	Allow in Precept Election Costs	M	Accrue over 4 years Election cost for whole Council election.
Procurement	Risk of challenge	L	Standing Orders and Financial Regulations outline requirements for procurement.
Financial Resilience	There is a risk that the Councils financial resilience is insufficient to withstand the changing economic climate and increased cost and demand pressures.	L	Expenditure against budget and banking reconciliations reviewed by council at every meeting. As a smaller authority best practice does not require the council to produce a Medium-Term Financial Strategy. However, council should monitor this position.

RISKS RELATING TO PHYSICAL EQUIPMENT OR AREAS

<p>Assets</p>	<p>Loss or Damage</p> <p>Risk/damage to third parties' property</p> <p>Public Liability</p>	<p>M</p>	<p>Asset register is updated on purchase of a new asset and reviewed in full annually. This informs the insurance provision and maintenance schedule. Standing Orders to refer to procedure for asset disposals.</p> <p>All repairs and relevant expenditure for repairs are Actioned by the Clerk in consultation with the RFO. Update Standing Orders to comply with this.</p> <p>All Leases/licenses held in secure place for review as required as well as proof of ownership.</p> <p>Tri-annual property valuations should be undertaken. Insurance schedule should be reviewed annually.</p>
<p>All equipment Seats/Signs Toilets Play area</p>	<p>Vandalism and accidental damage</p> <p>Increased anti-social behavior has been experienced.</p> <p>Public Liability</p> <p>Inspections, on-going maintenance and repair of all equipment.</p>	<p>M</p> <p>H.</p> <p>H.</p> <p>M.</p> <p>H</p>	<p>Insured against theft and damage.</p> <p>Regular inspections of playground/skate park areas Inspections are on-going by Caretaker and records of inspection signed, dated and kept. Maintenance carried out regularly. Annually inspected by a ROSPA qualified Inspector.</p> <p>Inspection and maintenance logs should be retained.</p> <p>This is ongoing throughout the year and a record is kept. Maintenance schedule to be created and monies needed to be allocated for ongoing maintenance and costs, should also be considered when any equipment is installed.</p> <p>Clerk to authorize required work or the removal of the equipment to ensure both the Public and Council are protected.</p>

RISKS RELATING TO LEGAL LIABILITY

Legal Powers	Illegal activity or payments	L	All activity and payments made within the appropriate Power the Council has (not ultra vires) and to be resolved and clearly minuted.
	Committees / Working Parties	M	Ensure established with clear terms of reference to limit any Councillor acting beyond their remit.
	Grants – ensuring grants awarded via specific powers or sections 137 or unless GPC appropriate)		Grants should be awarded by full council following confirmation from officers of relevant power under which to award the grant and recommendation from the Finance Sub-Committee. Decision to be clearly minuted.
Council meetings	Legality	L	Minutes and Agenda are produced in the prescribed timescale by the Clerk and adhere to legal requirements.
	Non-compliance with statutory requirements	L	Minutes are approved and signed at the next Council meeting and displayed according to the legal requirements.
	Business Conduct	M	Business meetings should be managed by the Chair. Councillors should adhere to the rules and regulations.
Members interests	Conflict of interests	M	Councillors have a duty to declare any interest either at the start of the meeting or during the meeting, if necessary.
	Register of members interest	M	Register of interest forms to be reviewed annually
Safe keeping of Council Document	Proper document control	L	Documents are held in locked cabinets or on a password protected device. All other data is stored in compliance with the Data Protection Act Policy and GDPR Policies in place for management of documents

Public Rights of Inspection	Website	L	Information on Website i.e. minutes, finances and policies.
Compliance with Transparency code.	Council Financial Data	L	Clerks to stay up to date with legislative changes. Financial Data published quarterly.
Register of Members interests	Members to keep updated Register of Interests.	L	Clerks circulate reminders annually and advice when made aware of change. Members interest to be on Council Website.
Budget Performance Management		L	Councillors monitor review budget and progress against priorities through working parties or Council Meetings or Clerks/RFO reports

APPROVAL AND REVIEW

Date of Meeting approved: 23rd January 2024	Minute no: 5	Date of Next review: February 2025
----------------------------------------------------	---------------------	-------------------------------------------