

SPC RISK MANAGEMENT POLICY AND RISK ASSESSMENT.

1. Introduction

Sedlescombe Parish Council has adopted this risk management policy in accordance with guidance set out in Governance and Accountability for Local Councils – a Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group (JPAG) and also to give effect to the Health and Safety at Work Act 1974.

1.1 Corporate Risk Management is defined as the threat that an event or action will adversely affect the Council's ability to achieve its objectives, successfully execute its strategies and provide services.

1.2 The council recognises that it has a responsibility to take all reasonable and practical measures to safeguard its employees, the people it works with and provides services for; and to protect the natural and built environments for which it is responsible.

1.3 The council is aware that some risks cannot be eliminated fully and has in place a strategy that provides a structured, systematic and focused approach to managing risk including, where necessary, the introduction of internal controls and / or appropriate use of insurance cover.

2. Objectives

2.1 The objectives of the risk management policy are to:

- Integrate risk management into the culture of the council
- Manage risk in accordance with best practice and legislative requirements
- Minimise loss, disruption, injury and damages
- Inform policy and operational decisions by identifying risks and their likely impact
- Raise awareness of the need for risk management

3. Achieving the Objectives by:

- Identification of risk
- Undertaking risk assessments
- Managing the risk and recording actions
- Incorporating risk management considerations into council processes
- Providing appropriate training
- Establishing clear roles, responsibilities and reporting lines
- Effective communication with, and active involvement of, employees

4. Undertaking

4.1 Council will undertake to follow the control measures identified in the risk register in the timeframes mentioned.

4.2 All Members and staff will have regard to risk management whilst carrying out their duties.

4.3 All Members:

- Have collective responsibility in understanding the strategic risks which the Parish Council faces.
- Ensure that all identified risks have been considered in decision making and countermeasures and controls are defined.

- Agree and publish a clear Risk Management Policy and oversee the effective management of risks by the Parish Clerk.
Monitor the effectiveness of the Parish Council's risk management arrangements by reviewing any risk management reports to Council.
Know how the Parish Council will manage and operate in a crisis through its approved Emergency Plan.

5. Parish Clerk

- The lead officer for risk management and owner of the Risk Management Strategy.
- Has the responsibility to understand the strategic and operational risks that the Parish Council faces and to oversee the effective management of these risks.
- Lead on the corporate governance agenda which includes risk management and with the Council's Chair approve the Annual Governance Statement.
- Ensure that risks are fully considered in all strategic decision making and that the Risk Management Policy helps the Parish Council to achieve its objectives and protection of assets.
- Provides advice as to the legality of policy and service delivery and update the Parish Council on the implications of new or revised legislation.
- Assess and implement the Council's insurance requirements.
- Assess the financial implications.

6. The Risk Management Process

6.1. The process of risk management is straight forward and involves a number of key steps which are outlined below.

- Identification of Risks
 - The Parish Clerk is responsible for identifying and recording any risks. Identification will be either via a formal process of planned inspections or ad hoc requests or risks being noted through everyday working situations.
 - When changes to working arrangements, new initiatives, events or projects are to be undertaken the Clerk will seek to identify any risks early in the planning process and prior to implementation.
 - Each risk should be described and set out on a risk assessment form.
 - All risks identified must be recorded on the risk register. 8. Step 2:
- Evaluation of Risks
 - On identification of a risk the Clerk will assign a risk factor by reference to the risk matrix.
 - The risk matrix considers the likelihood of a risk materialising and the impact it would have.
 - If the level of risk is very high/high it may not be possible to wait until a formal response or action has been agreed by the Council. The risk factor table below provides guidance in assessing appropriate action.

Risk Factor		
RED	Very high/High	Immediate notification to Chair, Vice Chair and Chairs of Finance and other applicable committees Identify remedial action for consideration and implementation
AMBER	Medium	Immediate notification to Chair and Vice-Chair and Chairs of Finance other applicable Committees.
GREEN	Low	Notify Chair and Vice-Chair and Chairs of Finance other applicable Committees.

7 Monitoring and Reporting

- All meetings of the Finance Committee will include an agenda item for risk management to ensure that any developments or issues are considered.
- An annual review of the current risk register and risk management arrangements for the Parish Council will be conducted by the Finance Committee and reported to the Full Council.
- The Parish Council's risk management strategy will be also reviewed as part of the internal control environment within the Annual Governance Statement. This is agreed annually by the Parish Council

SPC RISK REGISTER

Subject	Risk(s) identified	Risk Level L / M /H	Management Control of Risk	Assess / Revise	Next Review
Councillors	Registers of Interests and gifts and hospitality in place. Risk of conflict of interests. Risk of a councillor not declaring an interest	L	<p>Register of Disclosable Pecuniary Interest, by the Council Clerk.</p> <p>Declaration of interest is on the agenda at every meeting.</p> <p>Update declarations of interest by councillors is Cllrs responsibility when circumstances change. On the agenda at every meeting.</p> <p>A register of members' interests is published on the District Council's website and a link on the council's website.</p> <p>Register of Gifts & Hospitality retained by the Council Clerk for use by Cllrs and Council employees.</p>		<p>Election Year</p> <p>Monthly</p> <p>Monthly</p> <p>Annually</p>
	Adequate Training in place	L	Councillors are required to attend new cllrs training when joining the council as well as other relevant training when newly elected or when roles are altered. Details of all available training courses are circulated to all cllrs.		Annually or as required and available.
	Risk of cost of an election	L	In the event of a councillor resigning during their term, the electorate have a statutory right to request an election. The council budgets for the potential of an election each year and its general reserves policy would allow for an unexpectedly large number being called in any one year. Scheduled elections are budgeted for.		Annually when setting the budget.
	Risk of Councillors bringing the council into	L	The council has a code of conduct outlining acceptable councillor behaviour and each		Monthly at meetings

	disrepute through their conduct.		councillor has a responsibility to adhere to the code. The chair is responsible for controlling undesirable behaviour at meetings.		and as required.
	Risk of being inquorate in the event of councillors resigning their position.	L	The council has nine councillors, so needs to retain three to be quorate. In the event of six or more vacancies, the District Council would support the town council in the short-term to fulfil its statutory duties.	Clerk reminds cllrs to give apologies ahead of the meeting. Clerk is aware of required attendance numbers .	As required.
	Risk of disqualification.		Attendance is registered at each meeting on the minutes to monitor. Rules for eligibility to stand as a cllr are in the cllr co-option policy and are check in election year.	Clerk to monitor attendance.	Monthly.
Business Continuity Major Incident	The risk of business disruption e.g. flooding, civil unrest, fire, postal bomb, pandemics	M	Emergency Plan is in place for incidents such as flooding, fire, gas leaks etc. Work with neighbouring parishes. Good relationship with Police and Fire and Rescue. Staff can have access to work from home with remote access into the office. Virtual meetings to take place as and when required	Lead Cllr to launch the emergency plan.	As required.
Business Continuity Cyber Attack / IT Security	Reliability of Firewall and security of IT systems could compromise security Increase in hacking	M	Firewall and security on IT equipment are regularly updated. Regular updates provided from outside IT consultants		
Legal Liability	Ensuring activities are within legal powers.	L	Clerk to be qualified. Clerk to clarify legal position on any new proposal. Legal advice to be sought where necessary Advice to be sought from local ALC where appropriate.		
Legal Liability	Properly constituted meetings	L	All agendas are issued and displayed in accordance with the Local Government Act 1972.	Clerk to be qualified - new clerk to	

			Council meets regularly and always receives and approves Minutes of meetings held since the last meeting including all committee minutes. Minutes made available to press and public via Council's website	attend relevant training.	
	Proper Document Control	L	Controlled through the Councils document retention policy	Policy followed.	Bi Annually
Assets	Protection of physical assets detailed in the Councils Asset Register.	M	Assets are insured through BHIB and are added to the Council's asset register. Leases and Land registration details are held by the clerk.		Annual.
	Security of buildings, equipment etc.	M	Building has an alarm system and is in clear view of the sports field. There is a well-used public right of way across the field. It is checked weekly by the cleaner and used weekly at the weekend by the resident football team. Cllrs check weekly by rota.		Several times per week.
	Maintenance of buildings and street furniture etc	M	Planned maintenance schedule is worked to, with a view to developing a five-year maintenance plan in due course. Reactive repairs carried out. Planned programme of testing electrical/gas and safety equipment in place. Including 5 year electrical testing, fire alarm, extinguisher and emergency lighting checks.		Annual As required 5-yearly
	CCTV	M	Annual maintenance plan with qualified contractors. Adhoc repairs as identified.		Annual
	Equipment	M	Repaired or replaced as required.		
Finance	Cash – Loss through theft	L	The council does not maintain petty cash. Payments are received through bank transfer or cheque.		
	Risk of consequential loss of income.	L L	Insurance cover in place for insurable risks Aim for Bank account reserves to be minimum of 50% of the precept.		Annual Annual

		L	Financial performance of all activity reviewed monthly to enable any issues to be speedily addressed		Monthly
		M	All electronic records backed-up on the cloud supported by an external provider.		
		L	Finance Committee reviews all potential financial issues to ensure all relevant information is present at the Full Council where the annual budget and precept are determined.		Bi monthly
			RFO runs regular bank reconciliations and checks bank statements to ensure all payments are received.		Monthly
	Management of cash flow	L	RFO manages the cash flow and ensure that funds are readily available Finance Committee regularly monitors the cash and investment situation		Bi Monthly.
	Banking - Lack of authorised signatories for payments. Possible Errors	L	Banking requirements are included in the council's financial regulations.		
		L	Bank reconciliations are completed at the end of each month to identify any errors and signed by the Chair of the council or finance committee.		
		L	Four councillors can be signatories ensuring a sufficient number are always available.		
	Financial controls and records	L	Strict internal controls in place to separate functions.	Internal auditor assess twice a year	Monthly
		L	Two Councillors required to sign/authorise.		Monthly
		L	Internal Audit to be carried out twice per annum, External Audit 12 monthly.		Bi Annual
		L	Audit Reports to be presented to the next available full council meeting.		Bi Annual
		L	All recommendations acted upon as soon as practical and		As required

		L	reported back to full council Committee. Tenders secured for contracts when required in accordance with financial regulations.		As required
		L	All financial records stored and saved in accordance with Councils document retention policy which outlines the requirements for the retention of paper and other records.		Annual
		L	Archive materials are stored off site at the ESCC records office.		
		L	Financial Regulations to be reviewed annually		Annual
	Comply with HMRC VAT Regulations.	L	VAT payments and reclaims to be calculated using Rialtas software. From the July 2022 submission it will be submitted using MTD compatible software. Advice notes from HMRC followed at all times, use external advice where necessary. Internal auditor reviews VAT on a regular basis.		Quarterly Quarterly As received Bi Annually
	Sound budgeting to underlie annual precept. Adequacy of precept in order for the council to carry out its statutory duties.	M	RFO develops budgets based on previous performance and plans for the future ensuring that adequate budgets are in place and available resources to cover the running costs of the Council and maintaining Council Services. They are presented to the Finance committee for consideration along with the impact on residents and recommendation is made to Council. Full council consider the recommendations and impact on residents and sets the precept.		Annual

			Precept is received in two halves April and September. Expenditure against budget reported to each finance committee meeting.		Bi Annual Meeting schedule
	Complying with borrowing restrictions	L	All current loans are paid automatically via Direct debit. Any new loans would require full Council approval after presenting a full business case.		Bi Annual As required.
	Ensure outstanding debts are paid	L	The council issues invoices for all amounts due and diarises to chase for payment. A list of all amounts outstanding		Monthly
	Contracts to be awarded in accordance with procedures	L	The council's financial regulations determine the process for awarding contracts, including financial limits for obtaining at least three quotes and for entering formal tendering process.		As required
	Salaries – ensure payments are made in accordance with contracts and Government Legislation	L	Payroll services are outsourced by the Council. Each staff member is appointed on the NJC salary scales, and has an annual salary based on their contracted hours. The outsourced company use specialist software for the calculation of tax and NI payments.		Monthly
Liability	Loss of key staff members. Fraud or theft by staff members. Health and safety risks.	M L L L	There is only one member of staff employed by the council. Staff member received annual appraisal. The council's fidelity insurance cover is monitored to ensure it covers the amount held in reserves. Internal audit and financial regulations and procedures mitigate the opportunities for fraud to be undetected. The council has a health and safety at work policy to mitigate the potential threats to staff wellbeing	Council would employ a temporary clerk if necessary.	As required At least annually Bi annually

	Risk to third party, property or individuals. Risk of being sued by a member of the public.	L	Insurance in place with BHIB. The council's insurance includes public liability insurance to cover genuine claims where a member of the public may have been injured. There is a risk of frivolous and/or spurious claims. The councils insurance includes legal cover to help manage claims.		
	Legal liability as a consequence if asset ownership	L	Insurance in place with BHIB. Annual checks by ROSPA of all play equipment takes place and report is acted on. Councils assets are also inspected weekly. The clerk with a member of the council inspects all council owned property including seats, flower tubs, etc once a year Annual Tree inspection		Annual Annual Weekly Annual Annual
Employer Liability	Comply with Employment Law.	M	Membership of various national and regional bodies including NALC, CALC, SALC Annual appraisal in place Legal advice taken if required.		Annual Annual As required.
	Comply with Inland Revenue requirements.	L	Regular review of current legislative requirements undertaken by RFO. Additional information provided by accounting software company. Internal auditor undertakes regular review.	Clerks research	As required.
	Safety of staff and visitors.	L	Clerk works from home. Council buildings undergo all required health and safety checks		
	Data Protection and Freedom of Information – Risk of being noncompliant	L	The council has a publication scheme for freedom of information requests on its website and is registered with the Information Commissioners Office (ICO) for data protection requirements.		Annual

	Lack of adequate training leads to poor quality decisions	L	Training is available from several specialist providers. The clerk is a member of SLCC and is undertaking the CiLCA qualification. Details of all available training courses are circulated to all staff and councillors. Staff training requirements are identified during the appraisal process.		As required Annual
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