



Wickwar Parish Council – Risk Management Policy

1. Legal context

Wickwar 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 comply with the Health and Safety at Work Act 1974.

2. The purpose of this policy

This policy sets out how the Council will identify, assess and manage risks. This policy allows stakeholders to have increased confidence in the Council's corporate governance arrangements and its ability to deliver its services and priorities and to maintain its integrity.

3. Background

3.1 Risk is an uncertain event or condition that, if it occurs, will have an effect on the achievement of Wickwar Parish Council's objectives and possibly impact on its reputation. Risk management is the process whereby the Council methodically addresses the risks associated with what it does and the services it provides. The focus of risk management is to identify what can go wrong and take proportionate steps to minimise the impact of the risks identified, or successfully manage the consequences if the risks occur. Effective risk management allows stakeholders to have increased confidence in the Council's corporate governance arrangements and its ability to deliver its services priorities.

3.2 Risk management is not just about financial management; it is about protecting the ability of the Council to deliver high quality public services. The failure to manage risks effectively can be expensive in terms of litigation and reputation, and can impact on the ability to achieve desired outcomes. The Council generally and members individually are responsible for risk management of the activities associated with the running of the Parish Council.

3.3 Risk management is an ongoing activity that comprises four elements: identifying risks; assessing risks (probability and impact); managing the risks to a level which is as low as reasonably practicable); and reviewing and reporting.

4. Identifying risks

4.1 In order to manage risk, the Council needs to know what risks it faces. Identifying risks is therefore the first step in the risk management process and is carried out as a minimum on a yearly basis and when a risk is identified during the course of Parish Council work.

4.2 The Council will identify the key risks to successfully achieving its outcomes and services, in the following categories:

- a) assets - damage to property;
- b) financial – loss of money, fraud, theft, embezzlement;
- c) liability – breaking the law or being sued which includes Health and Safety requirements;
- e) IT - failure of IT systems or misuse; and
- f) Councillor propriety - actions taken could harm the authority’s public reputation.

4.3 Separate general risk assessments are carried out for each Council asset and for any new services and events, in line with the requirements of the Council’s insurers. These are carried out by the Clerk, drawing on the expertise of Councillors. All general risk assessments are reviewed by the Clerk as and when required, and by Full Council at least annually. The following general risk assessments have been carried out, or will be carried out within the next 12 months:

- a) King George V Car Park
- b) King George V Pavilion (see additional risk assessments below)
- c) King George V Playing Field
- d) King George V Play Area
- e) Wickwar Town Hall (see additional risk assessments below) – to be completed in 2020
- f) Wickwar Cemetery (open) – to be completed in 2020

4.4 Separate fire risk assessments are carried out annually for the King George V Pavilion and the Town Hall. The initial risk assessment was carried out by a professional fire risk assessor in February 2020. An annual review is carried out by the Clerk and noted by Full Council. A legionella risk assessment was carried out for the King George V Pavilion (including advice about Wickwar Town Hall) in October 2019 by a professional legionella risk assessor. No further risk assessments are required.

5. Assessing risks

5.1 Having identified potential risks, the Council assesses the probability of it happening and the impact it would have, using JPAG’s recommended assessment process. This allows the Council to identify low, medium and high risks when considering the measures it should take.

5.2 Wickwar Parish Council’s risk assessment matrix:

Highly Likely (3)	Medium (3)	High (6)	Very high (9)
Possible (2)	Low (2)	Medium (4)	High (6)
Unlikely (1)	Very low (1)	Low (2)	Medium (3)
	Negligible (1)	Moderate (2)	Severe (3)

6. Managing risks

6.1. Risk is unavoidable, and every organisation needs to take action to manage risk in a way which it can justify to a level which is tolerable. The response to risk, which is initiated within the Council, is called 'internal control' and may involve one or more of the following standard responses:

Tolerate	For risks that are containable; where the possible controls cannot be justified (e.g. they would be disproportionate) and where risks are unavoidable e.g. terrorism.
Treat	Imposing controls so that the organisation can continue to operate; or introducing measures to deal with the risk by reducing either the probability of the risk occurring or the impact if it does occur.
Transfer	Buying in a service from a specialist external body to manage the risk or taking out insurance. Some risks cannot be transferred, especially reputational risk.
Terminate	Avoiding or cancelling activities where no response can bring the risk to an acceptable level.

6.2 The Council will use insurance (transfer risk) to help manage risk include the following:

- a) The protection of physical assets owned by the authority – buildings, furniture, equipment, etc. (loss or damage);
- b) The risk of damage to third party property or individuals as a consequence of the authority providing services or amenities to the public (public liability);
- c) The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss);
- d) Loss of cash through theft or dishonesty (fidelity guarantee);
- e) Legal liability as a consequence of asset ownership (public liability).

6.3 The limited staff resources available to the Council means that it works with specialist external bodies to help manage risk include the following:

- a) Maintenance for vulnerable buildings, amenities or equipment;
- b) The provision of services being carried out under agency/partnership agreements with principal authorities;
- c) Banking arrangements, including borrowing or lending;
- d) Professional services (planning, architects, accountancy, design, Solicitors etc.).

7. Reviewing and reporting

7.1 Having identified likely risks, the Council records this in the Wickwar Parish Council Risk Register (Appendix 1). This register is kept under review by the Clerk and is reported to Full Council at least once a year, in March.

7.2 The Council seeks advice and guidance on risk management from its insurers JPAG, the National Association of Local Councils, the Society of Local Council Clerks and other training providers. The Council provides training for its staff through the ILCA and CiLCA qualifications and additional specialist training where appropriate.

Appendix 1: Wickwar Parish Council Risk Register

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
Assets	1.1 Damage occurs to Parish Council capital assets resulting in a loss of availability to the community and expenditure to reinstate.	<u>Transfer Risk</u> Buildings insured. <u>Mitigation Action</u> -Value increased annually by RPI. Valuation of building assets undertaken August 2018. -Town Hall, Pavilion and Tin Shed. Valuation undertaken by David James & Partners. Came & Co. Insurers have been notified. -General risk assessments carried out for all Council assets (except, see below) and reviewed annually. Separate fire risk assessments carried out annually for Town Hall and KGV Pavilion. <u>Actions required</u> -Carry out a general risk assessment for the Town Hall and Cemetery in 2020. -Implement actions identified in the Pavilion and Town Hall fire risk assessments.	2/2	2/1	4/2
Assets	1.2 Security of buildings, equipment are compromised by malicious intent and theft resulting in the loss of assets and damage to Parish Council assets.	<u>Transfer Risk</u> Buildings insured. <u>Mitigation Action</u> This risk is reduced by the following: -Town Hall door locked and bolted at all times unless in use. -KGV Pavilion all entrances gated and locked. Windows shuttered and locked. (See KGV Pavilion Risk Assessment) -Tin shed fully bolted and locked. (See KGV Playing Field Risk Assessment)	2/2	1/1	2/2
Assets	1.3 Failure to carry out regular maintenance of buildings results in deterioration of the buildings, resulting in high reinstatement costs and possible non availability of the buildings.	<u>Mitigation Action</u> This risk is reduced by the following: -Buildings currently maintained on an ad hoc basis. -Planned programme of electrical and safety testing in place (See KGV Pavilion Risk Assessment) . -Reserves set aside for ongoing maintenance and repairs.	2/2	2/2	4/4

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
Finance	2.1 Banking - Security and accountability of financial transactions is compromised resulting in failure to account for public expenditure.	<p><u>Mitigation Action</u></p> <ul style="list-style-type: none"> -A current account is held with Unity Trust Bank. Reserves are held in two Unity Trust Instant Access Savings Accounts. -Total balance is monitored monthly to ensure it does not exceed FSCS limit of £85k. (Any funds above £85k will be transferred to another institution, with approval from Full Council and two Cllrs to approve transfer.) -As per FRs three Cllrs are signatories, and two signatories approve each online payment or sign cheques. Signatories may view account balances and transactions online. The Clerk is appointed Service Administrator and can set up, but not approve payments or sign cheques. 	1/1	2/2	2/2
Finance	2.2 Risk of loss of income due to events outside the control of the Parish Council.	<p><u>Transfer Risk</u> Insurance cover taken out.</p>	2/2	1/1	2/2
Finance	2.3 Loss of public money through theft or dishonesty resulting in a lack of governance and control demonstrated by the Parish Council.	<p><u>Mitigation Action</u></p> <ul style="list-style-type: none"> -No cash is received, only cheques and online payments. -As per FRs a monthly schedule of payments is submitted to Full Council for approval and two Cllr signatories approve each online payment or sign each cheque. -No debit or credit card in the possession of staff. 	1/1	2/2	2/2
Finance	2.4 Failure to instil appropriate financial controls and records results in public money not having the appropriate level of financial governance.	<p><u>Mitigation Action</u> This risk is reduced by the following:</p> <ul style="list-style-type: none"> -As per FRs a monthly schedule of payments is submitted to Full Council for approval. The approved schedule of payments is included in the minutes. -Two Cllr signatories approve each online payment or sign each cheque. 	2/2	2/2	4/4

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
		<p>-The Clerk (and RFO) prepares a monthly bank reconciliation using EDGE Finance software and online bank statements, which is scrutinised at Full Council meetings and signed by the Chairman.</p> <p>-One Cllr carries out monthly scrutiny of the bank reconciliation, checking it against the bank statements and invoices in the accounts file.</p> <p>-The internal auditor checks a selection of transactions against the bank reconciliation, bank statements and invoices.</p> <p>- External auditor to provide double check.</p>			
Finance	2.5 Failure to Comply with HMRC VAT Regulations resulting in a possible fine.	<p><u>Mitigation Action</u>. This risk is reduced by:</p> <p>-VAT claims calculated by Clerk (and RFO) using EDGE Finance software and submitted annually</p> <p>--Internal and external auditor to provide double check.</p>	1/1	3/3	3/3
Finance	2.6 Failure to implement a representative budget to underlie the annual precept will result in a high overspend or underspend during the year.	<p><u>Mitigation Action</u> This risk is reduced by:</p> <p>-Clerk prepares detailed budget for consideration by Budget Working Group in Dec/ Jan.</p> <p>- Proposed budget and precept demand approved at January Full Council meeting.</p> <p>- Clerk (and RFO) prepares monthly budget monitoring report using EDGE Finance software, to monitor receipts and payments and identify over/underspends. Considered monthly by Full Council and revisions approved throughout the year e.g. transfers into/ from reserves.</p> <p>-Clerk reviews reserves as part of budgeting process. Reserves Policy set and reviewed annually to ensure reserves are adequate.</p>	2/2	2/2	4/4

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
Finance	2.7 Failure to comply with borrowing restrictions and grants/ CIL/S106 reporting requirements, resulting in possible financial penalties for the Parish Council	<u>Mitigation Action</u> -PWLB repayments made by D/D and monitored by Full Council via budget monitoring reports. - Clerk records grants/ CIL/S106 income and expenditure on EDGE Finance software. Software is enabled for separate reporting. -Do nothing as no new borrowing is required. (This will need to be reviewed if this situation changes).	1/1	2/2	2/2
Liability	3.1 Failure to protect third party, property or individuals as a result of accidents occurring with Parish facilities or open spaces. This could result in additional Parish Council financial expenditure to challenge legal claims and the possibility of paying any subsequent damages for any successful court claims.	<u>Transfer risk</u> – public liability insurance <u>Mitigation Action</u> Further risk reduction is achieved by: -General risk assessments carried out for all Council assets and reviewed annually. - Programme of regular monthly inspections in place for KGV car park, pavilion, play area and playing field, and Wickwar Cemetery. <u>Actions required</u> Carry out professional tree survey of KGV trees, to be reviewed annually.	2/2	2/1	2/2
Liability	3.2 Legal liability as consequence of asset ownership (especially burial ground, playgrounds) may occur with the public. This could result in court claims on negligence in maintaining the assets and possible subsequent damages being paid out.	<u>Transfer risk</u> – public liability insurance <u>Mitigation Action</u> Further risk reduction is achieved by: -General risk assessments carried out for all Council assets and reviewed annually. - Programme of regular monthly inspections in place for KGV car park, pavilion, play area and playing field, and Wickwar Cemetery. - Written records of play area inspections kept and minuted. <u>Actions required</u> -Carry out a general risk assessment for the Town Hall and Cemetery in 2020. -Implement actions identified in the Pavilion and Town Hall fire risk assessments.	2/2	3/2	6/4

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
Employer Liability	4.1 Failure to comply with Employment Law could result fines and legal action.	<u>Mitigation Action</u> -The possibility of not complying with Employment Law is reduced by keeping up to date with Employment Law by Membership of Avon Local Councils Association. -Further knowledge on the subject is achieved by the Clerk being a member of the SLCC Advisory Group	2/2	2/2	4/4
Employer Liability	4.2 Failure to Comply with HMRC requirements resulting in fines and legal action.	<u>Mitigation Action</u> This risk is reduced by: -HMRC PAYE& NI liability calculated using HMRC Basic Tools -Regular advice from HMRC reviewed by the Clerk -Internal and external auditor to provide double check. -Employees offered enrolment in NEST pension scheme. Contributions calculated monthly and paid by D/D <u>Actions required</u> -Clerk to investigate cost of an external payroll service to create separation between staff and payroll duties.	2/1	2/2	4/2
Employer Liability	4.3 Safety of Staff and visitors is compromised resulting in injury and possible prosecution under the Health and Safety at Work Act.	<u>Transfer risk</u> – employers liability insurance and public liability insurance <u>Mitigation Action</u> to reduce the possibility of the risk occurring: -General risk assessments carried out for all Council assets and reviewed annually (except see below). - Programme of regular monthly inspections in place for KGV car park, pavilion, play area and playing field, and Wickwar Cemetery. -Town Hall - Accept 18 th Century building is not compliant for the Equality Act. Council is actively investigating options for disabled access. Meetings can be held on the ground floor if required.	2/2	2/1	4/2

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
		<p>-Town Hall fire risk assessment carried out annually and some fire safety measures in place.</p> <p><u>Actions required</u></p> <p>-Council to investigate and evaluate options for providing disabled access to the Town Hall.</p> <p>-Adopt a Health and Safety Policy (to include training/ information for staff members)</p> <p>-Carry out a general risk assessment for the Town Hall and Cemetery in 2020</p> <p>-Implement actions identified in the Pavilion and Town Hall fire risk assessments (complete Feb 2020)</p>			
Legal Liability	5.1 Activities may be carried out which are not within the legal powers of the Parish Council. Resulting in legal proceedings against the Parish Council.	<p><u>Mitigation Action</u> to reduce the possibility of the risk occurring: If the proposal is outside the knowledge level of the Clerk then Legal advice will be sought where necessary.</p> <p><u>Action required</u> Clerk to obtain CiLCA qualification.</p>	2/1	3/2	6/2
Legal Liability	5.2 Loss of Clerk meaning that the Council is unable to undertake all duties and responsibilities in a way which is compliant with legislation.	<p><u>Transfer risk</u> – Insurance covers loss of key personnel up to a maximum of £2.5k</p> <p><u>Mitigation Action</u> this risk is reduced by:</p> <p>-A locum clerk may be available through contact with ALCA/ SLCC.</p> <p>- Key passwords are stored in a sealed envelope in the Town Hall.</p> <p><u>Action required</u> Review level of insurance cover for loss of key personnel.</p>	2/2	2/1	4/2
Legal Liability	5.3 Possible failure to produce accurate and timely reporting via the monthly Minutes. This will result in a failure to address the issues raised and	<p><u>Mitigation Action</u> for reporting.</p> <p>-The Council meets once a month and always receives and approves Minutes of meetings held in interim.</p> <p>-Minutes made available to press and public at the Town Hall and via the web site.</p>	1/1	2/2	2/1

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
	agreements made, coupled with a loss of visibility to the Wickwar community of council business.				
Legal Liability	5.4 Proper document control is not in place resulting in a loss of building documentation and subsequent costs to reinstate them.	<u>Mitigation Action</u> to maintain document control. -Land and buildings registered at Land Registry. Original unregistered kept in the Town Hall and hard copies and computer copies kept at the Town Hall, Parish Clerk and Councillors. -Clerk's lap top backed up once a month. <u>Action required</u> Adopt a document retention policy to ensure all required documents are kept and properly stored.	2/1	2/2	4/2
IT	6.1 Council lap top fails resulting in loss of access to files and inability to deliver services.	<u>Mitigation Action</u> to reduce the possibility of this risk occurring: -Files backed up monthly on to memory stick. -Hard copies of minutes, leases and records kept in Town Hall. -Email and finance software can be accessed online. <u>Action required</u> Purchase hard drive for monthly back-ups to be stored in Town Hall.	2/1	1/1	2/1
IT	6.2 Council lap top is compromised leading to unrestricted access to council data. Data protection Act breached.	<u>Mitigation Action</u> to reduce the possibility of this risk occurring: -lap top is password protected. Finance software password protected. <u>Action required</u> -Purchase Windows 10 Professional to encrypt data on lap top and back up hard drive in separate location. -Review and implement Data Protection Policy.	2/1	2/2	4/2

Category	Risk	Mitigation Action Current Action and Actions required	Probability (Pre/ post mitigation)	Impact (Pre/Post mitigation)	Risk rating
Councillor Propriety	7.1 Failure to register Interests and gifts and hospitality in place could lead to Councillors being compromised in the course of their business and failure to meet the guidelines on declaring interests.	<u>Mitigation Action</u> to reduce the possibility of this risk occurring: -Register of interest completed for individual Councillors and available on the website. -The need for Councillors to declare their interests when involved in Parish Council activities is required (item on agenda)	2/2	2/2	4/4
Councillor Propriety	7.2 The Council fails to manage, retain or dispose of data properly, resulting in possible data breach and investigation by the Information Commissioner’s Office. Reputational damage.	<u>Mitigation action</u> -Data Protection Policy in place. Actions required -Review Data Protection Policy and implement safe guarding procedures. -Review policies in line with GDPR legislation requirements.	2/1	2/2	4/2

This Risk Register was considered by Wickwar Parish Council on

...4th March 2020.....

It will be reviewed again March 2021.