

**SWALLOWFIELD PARISH COUNCIL**



**RISK MANAGEMENT POLICY**

**&**

**STRATEGIC RISK REGISTER**

***Adopted at the  
Parish Council Meeting held on  
13th February 2024***

**REVISION HISTORY**

**Revisions**

<b>Adopted</b>	<b>Significant Amendments</b>
Feb 2024	First adopted

## **RISK MANAGEMENT POLICY**

Swallowfield Parish Council (SPC) is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are mitigated and maintained at an acceptable level. SPC will take action as is felt necessary to achieve this.

SPC recognises that it has a responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses and harm.

SPC, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is reasonable.

This document has been produced to enable SPC to assess the risks that it faces and to implement adequate steps to minimise them.

The Clerk will review risks on a regular basis, including newly identified risks, and will report to the Finance Working Group.

The review will include identification of risks the level of which requires mitigation. The Local Councils' Governance and Accountability Guidance makes the following observations regarding risk management:

### **Risk management**

1. In all types of undertaking, there is the potential for events and consequences that may either be opportunities for benefit or threats to success. Local councils are no different and risk management is increasingly recognised as being central to their strategic management.
2. Risk management is the process whereby local councils methodically address the risk associated with what they do and the services which they provide. The focus of good risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences.
3. Risk management is not just about financial management; it is about ensuring the achievement of objectives set by the council to deliver high quality public services. The failure to manage risks effectively can be expensive in terms of litigation and reputation, the ability to achieve desired targets, and, eventually, on the local community's Council Tax bills.
4. The local council audit approach seeks to encourage local councils to address these issues by placing emphasis on the need to keep under review and, if need be, strengthen their own corporate governance arrangements, thereby improving their stewardship of public funds and providing positive and continuing assurance to taxpayers.
5. The importance of looking afresh at risk comes in the wake of a more demanding society, bold initiatives and more challenge when things go wrong. It also arises because of the significant changes taking place as a result of the Government's service improvement agenda, including, for example, Quality Parishes and encouraging the delegation of service delivery associated with attaining Quality status. Local authorities currently face pressures, including those associated with the powers around wellbeing,

that potentially give rise to a range of new and complex risks and which suggest that risk management is more important now than at any other time.

It goes on to make the point that Members are ultimately responsible for risk management because risks threaten the achievement of policy objectives. Members should, therefore:

- take steps to identify and update their record of key risks facing the council;
- evaluate the potential consequences to the council if an event identified as a risk takes place;
- decide upon appropriate measures to avoid, reduce or control the risk or its consequences; and
- record any conclusions or decisions reached.

To identify the risks facing a council, the Guidance recommends beginning by grouping the three main types of decisions that must be taken into the following areas:

- take out insurance
- work with a third party to manage the risk
- self-manage the risk

## STRATEGIC RISK REGISTER

Risk No	Risk Area	Risk identified	Management / Controls of Risk	Actions
001	Property and contents owned by the council	Loss or damage	An up-to date register of assets and investments maintained by the RFO All physical assets including properties insured with a reputable insurer.	
002	Damage to third party property or individuals	Public Liability	<p>Public Liability Insurance and personal accident liability cover for employees, members and volunteers under the same insurance policy.</p> <p>Property safety and maintenance:</p> <ul style="list-style-type: none"> <li>- Gas safety inspections</li> <li>- Electrical safety inspections</li> <li>- Electrical portable appliance testing (PAT)</li> <li>- Fire safety inspections</li> <li>- Regular inspections of internal and external facilities by the Clerk, Caretaker and relevant Councillors.</li> </ul> <p>Playground equipment is checked by the Caretaker weekly, and twice a year by an independent Inspection Company.</p> <p>Maintenance of buildings, sites and equipment is undertaken on a responsive basis, in addition to budgeted Capital Projects for major refurbishment.</p>	

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003	Consequential loss of income or the need to provide essential services following critical damage loss or non-performance by a third party	Public Liability / Business Interruption	Business Interruption cover included in insurance policy.  6 months of essential operating costs held in reserves.  Annual review of risk and the adequacy of cover.	
004	Loss of cash	Employee or member theft of dishonesty.	The council insurance has Fidelity Guarantee for all members and employees.  Cash payments require a receipt to be issued.  Petty Cash is reconciled each month and approved by the Finance Working Group when it meets.  Cash is regularly paid into bank.  Internal Audit	
005	Legal Liability as a consequence of asset ownership	Public Liability	See 002 above.	

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006	Security for vulnerable buildings, amenities, or equipment		Parish Office – covered by an alarm Swallowfield Parish Hall – contents are covered by insurance. Riseley Memorial Hall & Sports Pavilion – users responsible for insuring their own items Keypad or keyed access to buildings CCTV at both locations	
007	The provision of services being carried out under agency/partnership agreements with principal authorities.		None at present	
008	Banking Services	Detect and deter fraud or corruption	The Council has Financial Regulations which set out banking requirements.  Bank Accounts are reconciled monthly, presented to council and signed.  Payments - invoices are checked by staff before being presented to Council. All payments are approved at Full Council and minuted for transparency.	

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			<p>On-line BACS payments can only be raised by the Clerk and RFO. The Clerk and RFO cannot approve these payments or sign cheques.</p> <p>On-line BACS payments are authorised by two councillors and cheques require two councillor signatures with the stubs initialled by signatories. Councillors cannot raise on-line payments.</p> <p>Earmarked Reserves (EMR) and Ring-Fenced Reserves (RFR) clearly identified in the accounts and are held in the CCLA account. Payments to third parties cannot be made from this account. Funds can only be transfer to the UT Main account. Transfers from this account require the signatures of 2 councillors.</p> <p>Internal Audit</p>	
009	Ad-hoc provision of amenities / facilities for events for local community groups	Public Liability	Users are required to obtain their own public liability insurance and provide proof of this cover.	



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010	Professional Services, contactors etc	Standing Orders and Financial Regs deal with the awarding of contracts	<p>The Council has Standing Orders and Financial Regulations that govern the awarding of contracts. These are regularly reviewed and the council is required to readopt them each year.</p> <p>The Council endeavours to ensure that wherever possible it has the opportunity to select the provider of professional services it requires by approaching several contractors for a quote. Any professionals whose services it uses are selected on the basis of best value, are well established and often following a recommendation.</p> <p>Contractors must produce their public liability and where relevant professional indemnity documents before work starts.</p> <p>Contracts are reviewed by staff and subsequently by the Council as part of its budget process.</p>	
011	Proper financial records	Inadequate records	<p>This is undertaken as part of the audit process. Reports are presented to the Finance Working Group and recorded accordingly.</p> <p>The Council has Financial Regulations which sets out the requirements and is reviewed on an annual basis.</p> <p>Rialtas financial software is used to prepare accounts and the Council subscribes to the support services.</p> <p>Invoices are checked by staff before being presented to Council.</p>	

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			All payments are approved at Full Council and minuted for transparency.	
012	Business Activities	Ensuring all business activities are within legal powers applicable to parish councils.	<p>Review of minutes to ensure legal powers are available and the basis of the powers recorded and correctly applied.</p> <p>The Clerk undertakes to ensure that the council does not act 'Ultra Vires' when a decision is taken. It is recorded if the council decides against the Clerk's advice. Where appropriate, legal powers bestowed on the council will be recorded in the minutes against decisions taken. The minutes of meetings are also reviewed during the audit process.</p>	
013	Borrowing	Complying with restrictions on borrowing.	<p>The Council has one loan with the Public Works Loan Board.</p> <p>An analysis was prepared detailing how the council would make the payments. The council chose to take a fixed rate of interest so can budget each year.</p> <p>Approval was sought and received from BALC and a resolution passed by Full Council.</p>	
014	Employment law and inland revenue	Ensuring that all requirements are met under employment law	Inland Revenue calculations are made by the council's payroll provider, Moorepay.	

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		and Inland Revenue regulations.	Salary forecasts are undertaken as part of the budget setting process and incremental increases are approved by Full Council.  Independent legal advice is taken as necessary.	
015	VAT	Ensuring all requirements are met under Customs and Excise regulations (especially VAT).	All such requirements are met by the Responsible Financial Officer (RFO) and the Internal Audit process.  The RFO is responsible for VAT returns. The Finance Working Group checks that the RFO receives adequate training in all financial matters that relate to council business.	
016	Annual Precept	Ensuring the adequacy of the annual precept within sound budgeting arrangements.	Budgets are prepared by the Clerk following input from all councillors.  A review and adjustment process takes place prior to the budget and precept being presented to full Council.  The precept is derived directly from this information and is considered and approved by Full Council and the request submitted to Wokingham Borough Council within the specified deadline	

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017	Expenditure	Spending against budget and reserves	<p>Regular scrutiny of financial records and proper arrangements for the approval of expenditure.</p> <p>Expenditure must be approved by Full Council even if in the budget.</p> <p>Earmarked reserves are recorded by category in the financial system and spend of these reserves is agreed within the budget process and then approved by Full Council as projects are fully costed and approved.</p> <p>Approval for Expenditure is recorded in the minutes.</p>	
018	Grants – awards and payment	Monitoring of performance against agreed standards under partnership agreements.	<p>The council has General Power of Competence so is not constrained by Section 137.</p> <p>The council does not consider grant applications routinely. It has a policy for Grants, Donations &amp; Financial Support and each request received is measured against this policy.</p> <p>Any awards are discussed and approved by Full Council and minuted.</p> <p>The council receives regular updates from those organisations receiving grants.</p>	

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019	Grants – receipt of grants and donations	Monies ringfenced and accurately managed	The council records all grants received in its financial system as Earmarked or Ringfenced Reserves. The council considers at Full Council how the money will be spent to ensure it meets the criteria of the award. Decisions are minuted.	
020	Council Minutes	Proper, timely and accurate reporting of the Council business in the minutes.	<p>Council minutes are prepared by the Clerk and reviewed by the Chairman. They are uploaded onto the website for viewing in advance of the subsequent meeting, verified as a correct record as the first business of that meeting and signed after the meeting. Failure to do so is recorded. Committee minutes are reviewed at the next full council meeting and actions and resolutions from committee minutes are adopted.</p> <p>Minutes properly numbered and paginated with a master copy kept in a fireproof safe.</p> <p>Historical minutes have been digitised with the originals stored at the Berkshire Records Office.</p>	
021	Rights of Inspection	Responding to electors wishing to exercise their rights of inspection.	The rights of inspection by electors are adhered to in accordance with current legislation. In accordance with the Freedom of Information Act, all relevant documents are available on demand (during office hours) or by post and in addition, meeting schedules and minutes are available on the council's website. These are reviewed periodically.	

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022	Consultations	Meeting the laid down timetables when responding to consultation invitations.	<p>Every effort is made to meet specified timetables when responding to consultation invitations.</p> <p>Consultation requests are referred the appropriate working group. The course of action taken is minuted. Copies of responses are available to all members on request.</p>	
023	Document control	Proper document control	Paperwork is retained in accordance with national guidelines and is available for viewing during office hours.	
024	Register of members' interests and gifts and hospitality	In place, complete, accurate and up to date	<p>The Clerk holds the members' register of interests and WBC holds a copy.</p> <p>To the best of the Clerk's knowledge these are accurate and up to date. It is the responsibility of members to notify the Clerk of changes.</p>	
025	Compliance with transparency code	Non-compliance	Information is recorded and made available in line with legislative requirements. The Clerk monitors for legislative changes and initiates any changes to ensure continued compliance.	
026	Employees	Developing system of performance measurement.	Staff appraisals are undertaken annually, by the Chairman and the Lead of the HR Working Group in the case of the Clerk and by the Clerk and a Member in the case of other staff.	

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			The results of the appraisals are reported to the HR Working Group and any recommendations shared with all Members.	
027	Dealing with the public	Documented procedures for document receipt, circulation, response, handling and filing.	<p>Calls and letters are dealt with as soon as practicable unless referred to council or committee. In such cases, acknowledgement of enquiry is made.</p> <p>The Clerk receives all mail. All relevant mail is listed with council or a committee for consideration or for information. Mail for action by the Clerk is dealt with accordingly and filed when actions are completed.</p>	
028		Adoption of Codes of Conduct for members and employees.	The Council adopted a Code of Conduct on 11 <sup>th</sup> August 2015. Employees Code of Conduct is in accordance with their individual contracts of employment. At present there is no other statutory code for employees.	
029	Computer data safety	Loss of data	<p>All necessary procedures and documents are computerised and stored on the cloud. Each time the computer is used this automatically backs up all data to the cloud using Microsoft 365.</p> <p>Data for the financial system is also stored on the cloud. A local backup is taken each week.</p>	

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030	Valuable documents	Loss of documents	Valuable documents such as legal documents are stored in a fire-proof safe.	