



RISK REGISTER

Definition of Risk Management

Risk is the threat that an event or action will adversely affect an organisation'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.

Purpose of Document:

Lake Parish Council spends Council Tax payers money and has a duty to do so lawfully and using legal procedures. It will minimise any financial risk and aims to give excellent value for money. To assist in this the Council has appointed a Responsible Financial Officer (The Clerk) and adopted Financial Regulations that meet the requirements of the Accounts and Audit Regulations 2003 (as amended in 2006). This risk assessment is part of this process. Internal audit and training are others.

This document has been produced to enable the council to assess the risks that 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 areas to be reviewed
- Identify what the risk may be
- 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 RISKS

Subject	Risk(s) Identified	Level	Management/ Control of Risk	Review/Assess/Revise
Forward planning	The council recognises the need to make informed decisions in a planned and sustainable way, to avoid reactive responses and short-term fixes that may cost more in the longer term.	H	The council must have and work to a forward plan. As a minimum this should be for at least the duration of the term of office. A workplan will be prepared for the 2024/2025 annual meeting of Council.	Risk to be reassessed annually prior to budget.
Risk Assessments	Risk assessments should be in place for all the councils' provisions and undertaken for each event.	M	Risk Assessment should be reviewed on annually.	Review at least annually
Business Continuity	Council not being able to continue its business due to an unexpected or tragic circumstance. Due to change in staff records lost or information forgotten.	H	Work is underway to standardise filing identify all licenses and contracts, create a file map and procedures including: File Map Central list of ongoing and regular tasks. Central procedures. Register of Licenses.	Review when necessary
Meeting location	Adequacy Health and Safety Lack of accessibility.	L	Meetings are held at the Lake Methodist Church Hall which is located close to the station and bus routes.	Existing location is adequate.
Council hard copy Records	Loss through theft, fire, damage	L	Fire alarm system installed. Document retention policy implemented. Moving forward the majority of files will be kept digitally in cloud based storage which is backed up monthly with hard copy duplicates of all accounting references and contracts/licenses/legal documents.	Existing procedures are adequate. Ensure regular back-ups are undertaken and where possible important documents are scanned.
Council Records electronic	Loss of records through equipment failure.	L	Documents are stored on the cloud and backed-up to an external drive monthly. Adequate antivirus protection to be in place.	External hard drive back-up of electronic files produced and kept in safe.

Subject	Risk(s) Identified	Level	Management/ Control of Risk	Review/Assess/Revise
Clerk/RFO	Loss of qualified clerk	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.	Councillor training must be undertaken. Purchase revised reference books, renew Membership of SLCC and provide and pay for Clerk's time to read and research information and undertaken training. Members be reminded of member officer protocols and HR policies.
	Training – Risk of officers knowledge becoming outdated.	M	Back office support has been sourced via Sandown Town Council who can also arrange for a locum clerk if required.	
	Absence due to illness	H	The Clerk should be provided with training as requested, reference books, access to assistance and legal advice via SLCC and time to attend IWALC training and meetings and research.	
	Capacity	H	Staffing structure does not have capacity to cover any long-term absence or vacancy in the team. The SLA with Sandown Town Council will provide capacity. Members should not abuse the provision and should respect the limitations of the agreement by expecting individual support. Members behaviours can create a stressful working environment and increase workloads and interrupt workflow. This can be avoided if contact is directed through the chairman unless otherwise agreed. Members should also take into consideration the capacity of back-office provision and volunteer clerk. In the absence of a full-time officer, budgeted projects and provisions should be prioritised with councillors taking responsibility for ward work that they can undertake themselves.	
Reputational Damage	Challenge to officers	H	Criticism and challenge to officers casts the council in a bad light. Polices, protocols and procedures should be followed to manage and mitigate this risk and ensure only accurate information is published.	
	Members acting without authority	H	The Council's constitution and specific decisions provided delegated authority. Members should be mindful that unless they have delegated authority they do not have the power to incur costs on behalf of the council.	

FINANCIAL RISKS

Subject	Risk(s) Identified	Level	Management/ Control of Risk	Review/Assess/Revise
Fraud, loss through theft or dishonesty.	Fidelity Guarantee insurance	M	The requirements of Fidelity Guarantee insurance must be adhered to. Internal controls in place; payments, receipts and banking reconciliations will be checked monthly by nominated members and reported to council at each meeting.	
	Banking arrangements.	L	Standing orders and financial regulations.	
Proper financial records	Records must be held in accordance with statutory requirements.	M	Records will be reviewed by councillors regularly and audited annually by internal auditor. Matters raised in previous audits have been noted and will be addressed during the 2022/2023 audit process.	
Borrowing	Complying with restrictions	L	Reviewed by internal audit and approved by council.	
Employment Law and HMRC obligations	Ensuring all requirements are met.	L	Reviewed by Internal Audit.	
VAT	Ensuring all requirements are met.	L	Clerks trained regularly, professional advice will be sought on large projects, reviewed by internal audit.	
Annual Precept and budgeting.	Ensuring accuracy within sound budgeting arrangement. Monitoring spending.	H	Detail within the budget has been increased to help address financial risks stemming from current economic climate. Budget monitoring reports are provided to named councillors monthly and presented to Full Council at each meeting.	Council should not undertake projects which have not been included when the budget has been set without a clear understanding of where monies will be drawn from. Councillors with delegated authority should not overspend without prior permission and an understanding of where monies can be drawn from.

Subject	Risk(s) Identified	Level	Management/ Control of Risk	Review/Assess/Revise
			<p>Capital and maintenance costs should be budgeted for all provisions.</p> <p>Reserves will be returned to recommended minimal levels in 2023/2024.</p>	The level of general reserves should be increased to 6-months to reflect the high level of borrowing and increased budget.
Procurement	Risk of challenge	L	Standing orders and financial regulations outline requirements for procurement.	

RISKS RELATING TO PHYSICAL EQUIPMENT OR AREAS

Area	Risk	Level	Control of risks	Review/Assess/Revise
Assets	<p>Loss or Damage</p> <p>Risk/damage to third party(ies) property</p> <p>Public Liability</p>	M	<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 refer to procedure for asset disposals.</p> <p>All repairs and relevant expenditure for repairs are actioned /authorised in accordance with Standing Orders.</p> <p>All Leases/licences held in filing cabinet for review as required and proof of ownership</p> <p>Tri-annual property valuations should be undertaken.</p> <p>Insurance schedule should be reviewed annually.</p>	Existing procedures now adequate.
<p>All equipment</p> <p>Seats/Signs</p> <p>Toilets</p> <p>Open Spaces</p>	<p>Vandalism and accidental damage</p> <p>Increased anti-social behaviour has been experienced.</p> <p>Public Liability</p>	M	<p>Insured against theft and damage. .</p> <p>Inspection and maintenance logs should be retained.</p> <p>New toilet facilities designed to reduce instances of vandalism. Any damage logged.</p>	<p>Insurance adequate and increased when new equipment installed</p> <p>CCTV to be considered/increased across sites.</p>

Area	Risk	Level	Control of risks	Review/Assess/Revise
	inspections, on-going maintenance and repair.		Maintenance schedule to be created and monies needed to be allocated for ongoing maintenance, this should also be considered when equipment is installed.	Annual risk assessments on all facilities and equipment undertaken

RISKS RELATING TO LEGAL LIABILITY

Area	Risk	Level	Control of Risk	Review /Assess/Revise
Legal Powers	Illegal activity or payments	L	All activity and payments made within the powers of the Council (not ultra vires) and to be resolved and clearly minuted.	Existing standing orders and financial regulations are adequate. Standing orders are reviewed annually.
	Committees / Working Parties	M	Ensure established with clear terms of reference to limit any councillor acting beyond their remit.	Existing procedures adequate if councillors adhere to the rules.
	Grants – ensuring grants awarded via specific powers or sections 137 (unless GPC appropriate)	M	Grants should be awarded by full council following confirmation from officers of relevant power. Decision is clearly minuted.	
Council meetings	Legality	L	Minutes and Agenda are produced in the prescribed timescale by the Clerk and adhere to legal requirements.	Existing procedures adequate. Standing orders are reviewed annually.
	Non-compliance with statutory requirements	L	Minutes are approved and signed at the next Council meeting and displayed according to the legal requirements.	Members must adhere to rules and the Code of Conduct
	Business Conduct	M	Business at meetings should be managed by the Chair. Councillors should adhere to the rules and regulations.	All Chair should undertake training to understand the role.
	Recording of council business – Poor quality and poor practice	M	Recordings of meetings for social media purposes should ensure that all councillors, are clearly identifiable, when possible. Alternatively, the Town Council could consider purchase of suitable equipment to record the meetings to an acceptable standard.	Review as appropriate.

Area	Risk	Level	Control of Risk	Review /Assess/Revise
Safe keeping of Council Document	Proper document control	L	Documents are held in locked space 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.	Existing procedures adequate
Rights of Inspection		L	Website/Policy	Polices reviewed annually. Website reviewed and updated regularly.
Compliance with Transparency code.		L	Clerk to stay up to date with legislative changes. Data published quarterly following council approval.	Existing procedures adequate
Members interests and Gifts and Hospitality.	Register of members interest Members to not respond to requests for updates and councils' reputation is damaged Conflict of interests	L	Clerks circulate reminders annually and advice when made aware of change. Councillors have a duty to declare any interest either at the start of the meeting or during the meeting, if necessary. There is a standing item on the agenda to facilitate this. Register of interest forms to be reviewed annually	Annually and as required. Existing procedures adequate Members take responsibility to update their own Register.
Performance Management		L	Councillors monitor review budget and progress against priorities (through working parties) at each meeting and annually.	Existing procedures adequate

APPROVAL AND REVIEW

Date of Meeting approved: 8-Feb-24	Minute no:78/23-24(d)	Date of Next review: February 2025
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