

East Dean and Friston Parish Council - Risk Management

The Levels of Risk are categorised as: H = High; M = Medium; and L = Low

1 Maladministration of Council Business

Maladministration may result in undemocratic or illegal actions.

Category	Current Safeguards	Level	Recommended Action
1.1 Standing Orders	Standing orders are distributed to each member. They are reviewed each year and updated where necessary. Responsible: Chairman and Clerk	M	That the Review of Standing Orders and Financial Regulations are considered by Full Council each year.
1.2 Meetings	Meetings are open to all residents of the parish and there is provision for them to speak at the full council, Planning and Rights of Way committee meetings Responsible: Chairman and Clerk	M	
1.3 Committees	All committees have defined responsibilities; they review their remits annually.	M	

	<p>The full council is responsible for monitoring all finances of the Parish and matters such as Health and Safety, Risk management etc.</p> <p>The Planning Committee and Rights of Way committee have delegated powers, and the Rights of Way Committee also reports to full council</p> <p>Responsible: Chairman and Clerk</p>		
1.4 Information	<p>Members receive a folder of information (Standing Orders, Terms of Reference of Committees; Complaints procedure; Code of Conduct; Press and Media policy; Emergency Plan; Asset Register; etc.).</p> <p>Responsible: Chairman and Clerk,</p>	M	<p>Members must be provided with copies of all relevant documentation on which the Parish Council acts or has an interest or responsibility. Members must ensure that this is kept up to date and the information provided is the property of the Parish Council and must be returned to the Clerk on ceasing to be a Parish Councillor.</p>

2 Risk of Failed External Audit through Poor Accounting

A failed external audit may result in lack of financial control of public money

Category	Current Safeguards	Level	Recommended Action
2.1 Financial Regulations	There are separate Financial Regulations which conform to the required standard of accounting. They are reviewed annually. Responsible: Chairman and RFO	M H	That the Financial Regulations are reviewed annually by Full Council. That on the issue of updated model financial regulations by the National Association of Local Councils, the Parish Council implement them after considering any discretions
2.2 Budgets	Budget monitoring is carried out on a six-monthly basis and provided to members on presentation of the Estimates. Responsible: Elected Member, and RFO	M	The Full Council to receive from the RFO a quarterly report showing all items of actual income and expenditure against the Council's Original or Revised Budget - Reports required: 30 June, 30 September, 31 December, and at Final Accounts.
2.3 Audit	The Internal Auditor carries out a six-monthly audit and looks at the accounts in general. The main audit is carried out at the year's end when an Annual Report is prepared for members and for the external auditors. Responsible: Chairman, and RFO	M	The Full Council to consider an interim inspection by the Internal Auditor, based on the position of the Parish Council as at 30 September in each year. That Elected Members should be appointed to inspect the accounts and undertake test checks of financial transactions as required by Full Council.

3 Loss of Resources due to Inadequate Financial Controls
Loss of resources may result in the inability to execute Council business.

Category	Current Safeguards	Level	Recommended Action
3.1 Precept	<p>The Precept is determined via a proper estimate process and account is taken of historic figures.</p> <p>Responsible: Chairman, Budget Working Group, and RFO</p>	M	To ensure long-term financial planning, the Parish Council should consider a three-year time scheme for financial forecasting and estimates.
3.2 Reserves	<p>The Parish Council maintains adequate reserves and where necessary holds “earmarked” reserve accounts. These are specifically identified in the accounts and reviewed annually; contributions are added as necessary.</p> <p>Responsible: Chairman and RFO</p>	M	That Elected Members should be appointed to inspect the accounts and undertake test checks of financial transactions as required by Full Council.
3.3 Financial Transactions	<p>The RFO keeps all the financial transactions posted and bank statements are reconciled as they are received.</p> <p>Cheque signatories are identified and signing procedures are in place. Online banking is to be implemented with signing procedures in place</p> <p>Responsible: Chairman and Clerk/RFO</p>	<p>M</p> <p>M</p>	<p>That Elected Members should be appointed to inspect the accounts and undertake test checks of financial transactions as required by Full Council.</p> <p>Online banking arrangements should be supported by Elected Member security measures. The Council should review its Banking Arrangements in the light of any new model Financial Regulations.</p>
3.4 Assets	<p>An Assets Register is kept and assets are added / deleted as necessary. Values are recorded at purchase price and the insurable value is reassessed each year</p> <p>The Council engages the services of the District Valuer to undertake re-valuations of property and land in the ownership of the Council, where applicable</p> <p>The Council uses the Public Work Loans Board to finance capital projects, as when necessary.</p> <p>Responsible: Chairman and RFO</p>	<p>M</p> <p>M</p>	<p>Where major liabilities, property and land are involved the Council should take all necessary action to indemnify itself.</p> <p>The Council should take all necessary action to review insurable values where applicable, on a regular basis not exceeding periods of five years</p>

4 Health and Safety

Accidents and claims against the Council may result in financial loss.

Category	Current Safeguards	Level	Recommended Action
4.1 Personnel	Responsible: Chairman and Clerk	M	The PC should document assessments for the various operational activities of the: <ul style="list-style-type: none"> • Clerk/RFO (office, VDU, workstation) • Parish Councillors on Parish Council business. The Council should consider undertaking assessments required under the Health & Safety (Display Screen Equipment) regulations 1992. The Parish Council should take any action necessary.
4.2 Training	Responsible: Chairman and Clerk	M	The Parish Council should consider whether officers and members should undergo Health and Safety training.
4.3 Prevention	Contact will be made with the Health & Safety Executive if and when necessary. Responsible: Chairman and Clerk	M	The Parish Council should ensure that an Accident Book is made available and that every accident involving Members or employees whilst on Parish Council business is recorded as soon after the incident as is possible.
4.4. Motor Insurance	Responsible: Chairman and RFO	M	The Parish Council should ensure that any employee required to use a vehicle in connection with their duties are comprehensively insured for “business” use. N/A? In the case of Elected Members the Parish Council should recommend that similar insurance cover is obtained and maintained throughout the period of service. No payment of fuel expenses should be made unless the appropriate ‘business’ cover is in place.

5 Security Arrangements

Failure in security arrangements may result in loss of data and the inability to enact Council business

Category	Current Safeguards	Level	Recommended Action
5.1 Secure Storage for computerised data	Computer Systems used by the Parish Council are regularly backed up by the Clerk The RFO takes a regular backup of all the accounting system Responsible: Chairman and Clerk/RFO	H	The Council should consider the practicality of the Clerk/RFO being able to back-up to a 'Cloud' system from the office computer
5.2 Secure Storage for legal documents	Responsible: Chairman and Clerk	H	Copies of legal documents etc. should be held for everyday use and the Council should consider whether it engages the services of a third party to store the original documents off-site, and ensure that this is in a secure facility.
5.3 Vandalism /terrorism	Responsible: Chairman and Clerk/RFO	H	

6 Risk of Damage to Office, Buildings and Equipment
Damage to the Office, buildings and equipment may result in financial loss.

Category	Current Safeguards	Level	Recommended Action
6.1 Office	The office is covered under the parish council's insurance and an adequate fire alarm is in place Responsible: Chairman and Clerk/RFO	M	
6.2 Building Insurance	The Parish Council has insurance on the cricket pavilion and all the bus shelters it owns Responsible: Chairman and RFO	M	
6.3 Equipment Insurance	All major equipment (playground and office equipment) is insured under the Parish Council insurance and could be replaced at short notice. Responsible: Chairman and RFO	M	

7 Risk of Personal Injury

Personal injury may result in claims of negligence, compensation and hence financial loss.

Category	Current Safeguards	Level	Recommended Action
7.1 Recreation Ground; Friston Green; Downlands Way car park	<p>Regular inspections of playground are carried out by an appointed Elected Member.</p> <p>There is an annual ROSPA inspection of the equipment on the Recreation Ground (playground, tennis court; football goal, etc.)</p> <p>Responsible: Chairman, Appointed Elected Member, Clerk/RFO</p>	<p>H</p> <p>M</p>	<p>The Parish Council should ensure that inspections of the Recreation Ground, Friston Green, and Downlands Way car park are undertaken on a regular basis. The Parish Council should instigate a recording mechanism whereby all inspections, including inspections of equipment, are recorded showing the date, the person inspecting and any comments regarding the condition of equipment. All repairs or replacement of equipment required should be reported to the Chairman and Clerk immediately.</p> <p>Such inspections should be extended to any other land the Parish council acquires and is responsible for, and on which any form of equipment exists for use by the public</p>
7.2 Buildings	<p>The pavilion caretaker reports any defects to full council</p> <p>A maintenance person cleans and inspects all bus shelters on a monthly basis.</p> <p>Responsible: Chairman, Pavilion Caretaker; maintenance man; Clerk/RFO</p>	M	<p>The Parish Council should ensure that there are regular inspections of its property to ensure there are no dangerous defects.</p>
7.3 Equipment	<p>The Parish Council requires the safety inspection of all equipment. There are regular inspections of recreation ground and highway seats and repairs are carried out as necessary. (The ROW Committee has a budget for immediate repairs). All such work is reported to the full Council</p> <p>The Council in co-operation with the Village Hall Trust should ensure that Portable Appliance Testing (PAT) is carried out on a bi-annual basis.</p> <p>Responsible: Chairman and Clerk</p>	<p>M</p> <p>M</p>	<p>The Parish Council should instigate a recording mechanism whereby all inspections, including inspections of equipment, are recorded showing the date, the person inspecting and any comments regarding the condition of equipment. All repairs or replacement of equipment required should be reported to the Chairman and Clerk immediately.</p>

8 Risk of Financial Loss from Contracts/Contractors
Financial loss may result in inability to enact Council business.

Category	Current Safeguards	Level	Recommended Action
8.1 Financial Loss from Contracts / Contractors	<p>The Parish Council's Financial Regulations contain proper quotations procedures.</p> <p>When the Parish Council enters into large contracts professional advice is sought.</p> <p>Responsible: Chairman and Clerk/RFO</p>	M	

9 Negligence
Claims against the Council for negligence may result in financial loss.

Category	Current Safeguards	Level	Recommended Action
<p>Arising through:</p> <p>[a] defective or vandalised equipment or</p> <p>[b] failure to warn the public of the same</p>	<p>The Parish council has Public Liability Insurance. See safeguards listed under 5.3 and 7.</p> <p>Responsible: Chairman and Clerk/RFO</p>	M	

10 Loss of Staff

Loss of Staff may result in the Council being unable to undertake its administrative functions or enact its business.

Category	Current Safeguards	Level	Recommended Action
10.1 Pay Arrangements	Staff are paid in accordance with National Association of Local Councils/Society of Local Council Clerks rates of pay. Responsible: Chairman and Vice Chairman	L	The Parish Council should monitor other Parish Councils' rates of pay.
10.2 Staff Morale	Good relations are maintained between staff and key members, including freedom to express differing views, identify training needs, attend conferences etc. Responsible: All Elected Members	L	
10.3 Working Conditions	The Clerk works from home; suitable equipment is provided and upgraded as necessary. Responsible: Chairman and Vice Chairman	L	
10.4 Annual Appraisals	Responsible: Chairman and Vice Chairman	L	The Council must instigate an Annual Appraisal Scheme for employees.

It is recommended that this policy be reviewed annually at a designated Parish Council meeting.

11. Emergency Plan Risk prioritisation

Likelihood/Impact	1 Extremely unlikely	2 Unlikely	3 Moderately likely	4 Likely	5 Highly likely	6 Extremely likely
1 Not critical	1	2	3	4	5	6
2 Minor impact in some areas	2	4	6	8	10	12
3 Minor impact in many areas	3	6	9	12	15	18
4. Significant impact: would not affect continued operations in the short term but might in the long term	4	8	12	16	20	24
5 Significant impact in medium term, relates to substantial operational areas	5	10	15	20	25	30
6 Fundamental to continuing operations	6	12	18	24	30	36

PRIORITY **Low** 1 to 9
 Medium 10 to 19
 High Over 20

POTENTIAL RISK FACTORS:

- extreme weather (e.g. heavy snow, severe flooding, gales) – Moderately Likely/Minor Impact $3 \times 3 = 9$
- major utility failure (electricity, gas, water, telephones) – Extremely unlikely/Minor or short term significant impact $1 \times 4 = 4$
- gas leak/explosion – Extremely unlikely/Significant impact $1 \times 4 = 4$
- major transport accident (road, rail, air) - Extremely unlikely/Significant impact $1 \times 4 = 4$
- major fire (e.g. in Friston Forest) or building collapse – Extremely unlikely/Minor impact $1 \times 3 = 3$
- landslip or landslide (e.g. on Jevington Road) – Unlikely/significant impact $2 \times 4 = 8$
- hazardous vapour release (e.g. at sea) – Unlikely/minor impact $2 \times 3 = 6$
- disease (flu pandemic seen as national risk) – Moderately likely/Significant impact $3 \times 4 = 12$
- terrorism – Extremely unlikely/significant impact $1 \times 4 = 4$

Any one or a combination of the above emergency hazardous events could lead to the isolation of the Parish for prolonged periods of time requiring a degree of self-help.