

Kingsbrook Parish Council
Risk Register
Adopted 12 May 2020

Catagories of risk

1. Financial – loss of money, fraud, theft, embezzlement, value
2. Property – damage to property
3. Legal – breaking the law or being sued
4. IT - Failure of IT systems or misuse
5. Reputational - actions harm the council's public reputation
6. External areas and activities - covering our management of the open spaces

Likelihood

- Highly Likely (3)*
- Possible (2)*
- Unlikely (1)*

Risk assessment matrix

Highly Likely (3)	Medium (3)	High (6)	High (9)
Possible (2)	Low (2)	Medium (4)	High (6)
Unlikely (1)	Low (1)	Low (2)	Medium (3)

Negligible (1) Moderate (2) Severe (3)

Impact

Risk no.	Description	Impact	Likelihood score	Impact score	Risk rating	Mitigation
1. Financial						
1.1	Precept not sufficient for intended purpose	The council has insufficient income for the forthcoming year	1	2	2	An in year budgeting process is held in November and the budget for the next financial year finalised in January. Revisions can be made throughout the year to bring in additional funds from Reserves; or to change activity to adjust to revised income; Projected Spend is reviewed quarterly.
1.2	Loss of cash through theft or dishonesty (fidelity guarantee)	The council loses income and assets	1	2	2	Fidelity Guarentee up to £150,000 in insurance.

1.3	The council does not identify its risks	Financial, criminal or reputational loss.	1	3	3	Annual review of risk and the adequacy of insurance cover undertaken annually by Council and each individual activity, eg an Event, has a separate risk assessment carried out and reviewed by the office team. All risks or concerns are notified to the next appropriate committee. Any urgent actions are carried out immediately using appropriate delegated authority as specified in JDs, STOs and Fin Regs.
1.4	The council is not insured adequately	Financial, criminal or reputational loss.	2	2	4	Review of management arrangements regarding insurance cover are reviewed annually prior to policy renewal via Council. RFO works with the broker annually to confirm adequate cover. Aviva is one of the top ten companies on a policy arranged through Came and Company a specialist provider of local council insurance. As the Council takes on new areas this must be reviewed and updated in year to ensure that appropriate cover is still provided.
1.5	The council is over-insured	The Council pays too much for its premiums and isn't obtaining value for money.	1	1	1	The level of cover is reviewed annually by the RFO with the input of the broker and put to full Council for review.

1.6	Failure to correctly award contract for services or the purchase of capital equipment	The Council does not award contracts correctly resulting in financial or reputation loss to the Council	2	2	4	Standing orders reviewed Jan-21. Specific standing orders for entering into contracts to be provided by end of Jul-21 for Council approval.
1.7	The council does not act legally and exceeds its powers.	The council risks financial and reputational loss.	1	3	3	Review of minutes to ensure legal powers in place, recorded and correctly applied. An Internal Auditor needs to be appointed. Clerk undertakers training through the year and will be starting CILCA qualification in 2022 to ensure high standard of competency. SLCC and NALC membership provides Go To Advice Service (SLCC membership not yet obtained as they need to add Kingsbrook onto the list of Councils). Community engagement project to be undertaken summer 2021 so that a 4 year strategy plan can be compiled.
1.8	Activity does not match informaton report	The Council does not know of activity undertaken and risks financial loss. An unauthorised activity takes place.	1	2	2	An internal auditor needs to be appointed. Public can ask questions of the office regarding how we manage public finds. Monthly payments are presented to the full council for approval.

1.9	Contracts are not reviewed annually	The council does not achieve value for money or works are not carried out correctly.	2	2	4	Specific standing orders for entering into contracts to be provided by end of Jul-21 for Council approval. Contracts to be reviewed annually in January as part of budget process.
1.10	Failure to adhere to codes of practice for procurement and investment	Financial loss to the council.	1	2	2	Covered by Standing Orders and Financial Regulations. Investment strategy for reserves to be considered over the course of the year.
1.11	Failure to regularly reconcile bank accounts.	The council is unaware of its financial position. Financial loss to the council.	2	2	4	Monthly reconciliation provided at full Council meeting..
1.12	The council does not scrutinise income or expenditure.	The council is unaware of its financial position. Financial loss to the council. Risk of reputational loss.	1	3	3	Regular scrutiny of financial records and proper arrangements for the approval of expenditure. Parish Council meets regularly to approve
1.13	Salaries and contributions are not paid correctly.	The councils risks reputational and financial loss; impact to staff	1	2	2	Salaries of staff are paid monthly and processed via Xero.
1.14	The council fails to review contracts of employment for all staff and does not take account of any changes in relevant legislation.	The council risks financial and reputational loss.	1	2	2	All staff contracts reviewed annually by the Clerk. Any change in personnel should trigger a review of employment contracts. SLCC/NALC provide employment advice

1.15	Council does not claim back appropriate VAT	The council risks financial loss.	1	2	2	Financial regulations set out requirements. Council currently not registered for VAT and VAT 126 submitted annually (can be moved to monthly/quarterly once claim is over £100).
1.16	Council does not charge appropriate VAT	The council risks being fined.	1	3	3	Council does not register for VAT at the appropriate point. Reviewed monthly by the RFO.
1.17	The council fails to make required submissions to HMRC	The council risks being fined.	1	2	2	HMRC records and prepared and submitted via Xero. Salary and PAYE payments are approved retrospectively to ensure that they are paid on time.
1.18	The council does not monitor its budgets adequately.	The council is unaware of its income or expenditure against targets set. Financial loss to the council.	1	2	2	Quarterly review of the budget to projected spend is carried out and reported to the full Council. All changes to the budget are supported by a minuted resolution.
1.19	The council does not monitor income correctly.	Financial loss to the council.	1	2	2	No income other than precept currently received. Any grant income to be reported separately.
1.20	Minutes of meetings are not properly kept	The council risks reputational damage. Risk of illegality of decisions.	1	2	2	Minutes properly numbered with a master copy kept both online and hard copy.
1.21	Lessees do not pay invoices	The council risks financial loss.	1	3	3	Currently do not have any lessees. Policies and procedures will need to be adopted when we take on the allotments.

1.22	The parish council does not achieve value for money throughout its expenditure	Wasteful use of limited resources; risk of complaints from residents; risk of notification from Auditor.	1	1	2	Fin Reg state that the systems must include for all the safe and efficient safeguarding of public money and that the RFO must assist the council to secure economy, efficiency and effectiveness in the use of its resources.
1.23	Insufficinet funds to cover an unplanned election	Impact to other reserves which could prevent other activities from happening, and/or negative impact to the reputation of the parish council.	1	3	3	If a casual vacancy arose and an election was called a reserve of £1,000 is maintained.
2. Property						
2.1	Loss of or damage to physical assets owned by the Council (bins, notice boards etc)	Assets may be useable or unsafe and cannot be accessed. Financial loss to the Council. Risk of injury to users. There would be a short term impact, which could affect delivery of service	2	2	4	All equipment insured by Council with Axa and could be replaced within 7 days. Will need to review risk assessment when play parks are taken on.
3. Legal						
3.1	Legal liability as a consequence of asset ownership (public liability)	The council has to fight a legal case that may lead to financial or reputation loss.	2	1	2	Current policy gives the following cover: - Employers Liability £500,000 - Public Liability £10m - Hireers Indemnity £5m - Legal Liability £500,000 - Officers Liability £500,000 - Liable and Slander £500,000

3.2	The risk of damage to third party or individuals as a consequence of the council providing services or amenities to the public (public liability)	An insurance claim may be made against the council	2	2	4	Whilst this is mitigated at the moment due to the activities of the Council, as and when park and open areas are taken on this risk will need reassessing.
3.3	Legal liability as a consequence of an event (public liability)	The council has to fight to a legal case that may lead to financial or reputation loss.	2	1	2	A risk assessment is carried out for each event and shared with key personnel. All third parties booked for events are asked to supply a copy of their PLI.
3.4	Failure of professional services employed by the council or leasees of the Council	The council may use unqualified or insufficiently qualified professionals leading to loss.	1	2	2	The council will use properly accredited professionals who have partnered other towns and parishes or appear on approved contractor lists from SLCC or BALC
3.5	Loss of Clerk or RFO	The Parish Council may be unable to undertake all duties and responsibilities in a way that is compliant with current legislation	1	4	4	The council is insured for loss of key personnel for up to 26 weeks. A locum clerk may be available through contact with SLCC or BALC. Other key personnel are aware of major projects and work flows. All inbox and documents are accessible to key staff.
4. IT						
4.1	Business continuity	Restricted access to documentation	2	2	4	All files are electronically stored and accessible in the cloud. A hard copy of Minutes is maintained as well as copies of approved minutes on the parish website (separate to the Office 365 cloud copy)

4.2	The council risks losing files and data	The council is unable to carry out its business and regulatory requirements.	2	2	4	All files are stored in the Office365 system which is cloud hosted. Xero financial data is stored via Xero in a cloud.
4.3	Accessing full Electoral Roll data	An offence may occur if data is not used correctly	1	3	3	The data is password protected and can only be accessed with the authority of the Clerk.

5. Reputational

5.1	Ad hoc provision of amenities/facilities for events to local community groups	Reputational damage to the council if associated with a dangerous, illegal or immoral activity	1	2	2	Policies to be established once allotments are taken on and will need to be extended in the future as further open spaces and community assets are taken on.
5.2	The council does not respond to enquiries from the public	The council risks reputational damage.	2	2	4	E-mail and other mail dealt with and filed; all emails forwarded to the relevant person where necessary.
5.3	The council fails to handle documents correctly.	The council risks reputational damage.	1	2	2	Policies in place in line with GDPR legislation. These cover the management, retention, transfer and disposal of data.

5.4	Members are unaware of the Council's policy regarding declarations of interests and the receiving of gifts and hospitality	The council risks reputational damage.	1	3	3	Recording and monitoring members' interests, gifts and hospitality received undertaken by Clerk. Code of conduct, Standing Orders and Financial Regulations are all reviewed annually by Council. New Councillors joining part way through a year/term are all issued with a copy of these key policies. Gifts and/or hospitality of £25 or over should be recorded in a register kept by the Clerk as required by the Code of Conduct None recorded.
5.5	Members (or employees) do not behave to the standards expected	The council risks reputational damage.	2	3	6	Little mitigation can be carried out as a member cannot be forced to resign.
5.6	Loss of Clerk or RFO	The council risks reputational damage	1	4	4	The council is insured for loss of key personnel for up to 26 weeks. A locum clerk may be available through contact with SLCC or BALC.
6. Open areas, Equipment and Activities Areas to be added here as they come online (allotments, parks, play areas).						