

Broadclyst Parish Council

Risk Review year-ending 31st March 2025 (approved Finance & Governance Committee 27th March 2025)

Background

The greatest risk facing a Parish Council is that it is unable to continue its business as defined by law.

Managing risk covers dealing with financial matters, issues of health and safety, and ensuring that plans are in place to achieve the Council's objectives.

The failure to manage risks effectively can be expensive items in terms of litigation and reputation, and the ability of the Council to achieve desired targets.

The Council has evaluated how likely it is that a risk is present in any activity and the potential consequences (financial loss, difficulties in meeting its legal obligations etc.) Some consequences may not have an immediate financial impact but could have an adverse effect on the Council's standing in the community.

The assessment of potential impact need not be any more complex than classifying each impact as *high*, *medium* or *low*. This assessment enables the Council to decide which risks it should pay most attention to when considering what measures to take to manage the risks.

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Parish Council to identify any and all potential inherent risks.

Method

The Clerk (who is also the Council's Responsible Finance Officer), has reviewed the following areas of risk with the aim of:

- i. Identifying key risks facing the Council in achieving its objectives and priorities;
- ii. Evaluating the potential consequences to the council if an event identified as a risk takes place;
- iii. Deciding upon appropriate measures to avoid, reduce or control the risk and its consequences;
- iv. Publishing a plan for the review of systems and procedures.

Feedback from the Council's Internal Audit is also reflected in the risk review where appropriate.

The Parish Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible. This document has been produced to enable Broadclyst Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.

Wording in blue is new for 2025.

Subject	Risk(s) identified	H/M /L	Management/Control	Review/Assess/Revise
Precept	Adequacy of precept in order for the Council to carry out its Statutory duties	L	Budget information is reported to the Finance Committee quarterly. Council committees submit an estimate of their requirements for the forthcoming year to the Finance Committee to support the committee in calculating the councils budget At the precept meeting Council receives a budget report, including actual position and projected position to the end of year and indicative figures or costings obtained by the Clerk. With this information, the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from East Devon District Council. The Clerk informs the Council when the monies are received.	Existing procedure adequate.
	Precept requirements not submitted to the District Council.	L	The Clerk submits the figure in writing immediately after it is agreed by the Parish Council. As a relevant precepting authority¹ with a precept of over £140,000 a breakdown of the precept demand is submitted to the District Council for publication on its website.	Existing procedure adequate. Clerk and Finance Chair prepare the breakdown for publication by the District Council.

¹ As defined in The Council Tax (Demand Notices) (England) Regulations 2011 s2 ss(1) (d)

Subject	Risk(s) identified	H/M /L	Management/Control	Review/Assess/Revise
Financial Records	Inadequate records	L	The Clerk maintains an electronic cash book listing all income and expenditure. The Clerk compiles all paperwork relating to monthly income and expenditure in an accounts file. The Council uses RBS Omega accounting software which minimises the risk of human error and has built-in calculations which immediately highlights any discrepancies.	Existing procedure adequate.
Financial Records	Incorrect records	L	Regular reconciliations and reporting minimise the likelihood of incorrect records going undetected. Two other members of staff have a basic understanding of the RBS system. It is recognised that multi-user log-ins to the RBS system increases the chance of duplication / omission of transactions. New in 2024: The reliance on the RFO is monitored, as is the need for a second log-in should issues arise or the workload increase significantly.	Existing procedure adequate. 2025 comment: Monitoring continued, existing arrangement working.
Investments	Unlawful investments Loss of value	L L	The Council has adopted an Investment Strategy which sets out the legal framework within which it may invest. Investments are restricted to short-term investments with the Council giving priority in the first instance to the security, then liquidity, and finally to the yield of its investments.	Existing procedure adequate.
Grants	Receipt of grant	L	The Parish Council does not receive any regular grant payments.	N/A.

Subject	Risk(s) identified	H/M /L	Management/Control	Review/Assess/Revise
Charges-rents receivable	Payment of rents	L	The Parish Council collects rent from the Broadclyst Allotment Association each year. The lease is renewed every 5 years. Westclyst Allotments came online during 23/24; council continues to hold plot fees until an Association is formed.	Existing procedure adequate.
Grants and support payable	Power to pay. Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval/minuting, reporting, and third-party checks by a non-signatory Member Council meets the criteria to use the General Power of Competence and has resolved that all payments are made under this Power of first resort.	Existing procedure adequate.
Bank and Banking	Bank / financial errors	L	All items are 3 rd party checked against the original bank statement and the account is reconciled each month	Financial regulations to be revised (last revised May 23)
	Loss through theft and dishonesty.	L	All payments are published on a monthly schedule at the same time as the Agenda before being approved at a Parish Council meeting. All cheques, BACS transfers and Direct Debit mandates are signed by 2 authorised signatories. A third-party check is made at least bi-monthly. Neither the Clerk (nor any other Officer) is an authorised signatory. Cheque books and bank cards are stored in the Parish Council safe which is only accessible by 2 Council staff. PIN codes are only known to individual signatories and are not stored with bank cards. Fidelity Guarantee	Existing procedure adequate.

Subject	Risk(s) identified	H/M/L	Management/Control	Review/Assess/Revise
Cash	Loss through theft and dishonesty	M	Council does not keep petty cash or float. Cash payments are only received by the Administrator who has sole responsibility for banking the monies intact. Mitigations: • Fidelity Guarantee • Most hirers/user groups at the Pavilions now pay by BACS or cheque, with cash only being paid by the occasional venue hirer. • The amount of cash that could potentially be lost in this way is minimal (no more than £200-300 per annum)	Invoices and receipts monitored quarterly and reported to Finance Committee. Stolen Cash cost/benefit analysis: It is recognised that the purchase and use of an electronic booking system for the pavilions far outweighs the amount of cash which could be misappropriated. It is therefore recorded that the Council agrees that its current system is sufficient.
Reporting	Insufficient Financial information	L	Financial information is a regular agenda item (Finance Report) and discussed/reviewed and approved at each meeting. The Council is presented with a monthly bank reconciliation, along with original bank statements. As Council's turnover increases so the interval of reporting has been reviewed with Council now receiving a balance sheet, IE, and bank rec monthly.	Existing procedure adequate. The Finance Committee now meets bi-monthly rather than quarterly. This is kept under review, as it needs to be balanced against Members availability and commitments. 3 meetings in 24/25; F&G work at full council.

Subject	Risk(s) identified	H/M/L	Management/Control	Review/Assess/Revise
Auditing	Annual audit is not completed by the deadline.	L	The Clerk prepares the accounts for the Internal Auditor. The Internal Auditor returns the accounts for approval by the Parish Council at its meeting in May.	Existing procedure adequate
	Annual audit is not advertised.	L	The Clerk places the notice of the audit on the noticeboard for the prescribed period of time. A scanned copy of the notice is published on the Council's website.	Existing procedure adequate.
	The Annual Return is not returned on time.	L	The annual return is presented to Council at the earliest opportunity for ratification. Officers ensure it is sent in time.	Existing procedure adequate.
Invoices	Goods not supplied but billed.	L	Invoices are paid only after receipt of the goods. Where any 'up-front' payments are required this is done by way of a deposit or phased payment and is authorised by Full Council prior to payment.	Existing procedure adequate. Percentage spend of budget on goods is low.
	Incorrect invoicing	L	Requests for goods/services are confirmed in writing, stating the agreed costs. The Clerk checks the invoices for accuracy and also checks the amount does not exceed that agreed by the Parish Council.	Existing procedure adequate.
	Unpaid invoices	M	The Parish Council raises very few invoices; however, this heightens the risk of unpaid invoices not being tracked. The RFO follows up any unpaid invoices monthly utilising an invoice tracker for Council, Broadsheet, and Pavilions invoices. Unpaid invoices are presented at year end for writing off. The Clerk follows up any unpaid invoices monthly.	Revised procedure adequate.

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	Levy of charges		Where an invoice remains unpaid, the Council reserves the right to levy interest and/or administrative charges. This will be at the rate of base rate +3% for interest and £25 for admin	
Related Party invoices	Matt Curwood occasionally carries out work as a contractor for the Council. Lowenna Hurren has carried out casual work in the office.	L	Natasha Curwood does not process these invoices, and an additional 3 rd party sign-off is made before payment is authorised. Angie Hurren does not sign her timesheet, and an additional 3 rd party sign-off is made before payment is authorised.	Acceptable due to infrequency and value of invoices raised. Senior Officers have completed a Register of Interests, last reviewed March 25 .
Contractors	Use of Contractors	L	The Council requires contractors to carry 3 rd party liability insurance cover, a copy of which is requested annually	Existing procedure adequate.
	Failure to deliver a service	L	All contractors are paid in arrears so there is no financial loss. In the event of a contractor failing to fulfil a contract, the Council would seek an alternative in accordance with requirements under standing orders.	Existing procedure adequate.
Best Value	Charges to the Parish Council are too high.	L	The Responsible Financial Officer will strive to obtain three estimates for any new work which is to be undertaken by Contractors on behalf of the Parish Council, in accordance with Council's Financial regulations. Council uses a 'preferred supplier' system for its purchasing; appointment of suppliers gives weighting to quality and price to ensure best value. Service providers are reviewed periodically; tenders may be invited from existing and new suppliers to ensure ongoing best value.	Existing procedure adequate. Suppliers and providers will be reviewed as and when necessary.

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Salaries	Salaries paid incorrectly.	L	The Clerk presents a monthly payment schedule to Council which records staff-related payments and expenses (which are supported by receipts.) The salaries schedule is a protected document and the total for all staff salaries HMRC, and pension contributions recorded on the published schedule. Internal auditor ensures that HMRC deductions and pension contributions are properly administered.	Existing procedure adequate, including a 3 rd party check of instruction to Payroll Bureau, payments against original documents, and the checking of bank rec figures against original bank statements.
Minutes & Agendas	These are not lawful or accurate.	L	The Minutes are drafted and circulated within 2 weeks of the meeting. They are approved at the next Parish Council meeting. The Agenda is advertised in the prescribed manner the correct number of days before the meeting. Committee Minutes are presented to Full Council as a report. The Council notes decisions of and recommendation from the Committees in this way.	Existing procedure adequate.
Members Interests	Conflicts of Interest	M	Councillors have a duty to: • declare any interests relevant to the Agenda items at the beginning of each meeting • submit requests for dispensations in accordance with the required interval prior to the meeting. The Register of Members Interests is held and maintained by the District Council and duplicated by the Clerk, with a copy published on the Council website. Councillors take responsibility to review their registration annually.	Existing procedures adequate. Members adhere to Code of Conduct Members take responsibility to update register.

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Meeting locations	Adequacy Health & Safety	L M	Parish Council meetings are held in venues considered to have appropriate facilities for the Clerk, Members and the general public, and to comply with legislation set out in the Local Government Act 1972, (Sch. 12) and the Coronavirus Act 2020, which permits virtual meetings.	Existing procedure adequate.
Staff interests	Conflicts of Interest	L	Staff who process invoices and have delegate access to the bank complete an Interest record. This is held in-house, reviewed annually, and is used to segregate duties when preparing related invoices.	Existing procedure adequate
Legal Powers	Unlawful activity or payments	L	All activity and payments within the powers of the Parish Council are agreed at the meetings The Council meets criteria to use the General Power of Competence.	Existing procedure adequate.
Employees Conduct	Disclosure of sensitive data	L	Most information is in the public domain; staff handbook contains employee code of conduct.	Existing procedure adequate
	Misconduct	L	Staff policies in the handbook guide staff behaviour	Existing procedure adequate
Insurance	Inadequate cover.	L	An annual review is undertaken prior to the renewal of the insurance policy, including 3 rd party risk.	Existing procedure adequate.
	Cost.	L	Three quotations are sought when insurance is reviewed.	Existing procedure adequate.
Employers liability	Health and safety	L	All employees to be provided adequate direction and safety equipment needed to undertake their roles. Advice on employment issues to be taken from the Council's solicitors &/or the Society of Local Council Clerks.	Monitor health and safety requirements and insurance annually.
	Non-compliance with employment law	L		Existing procedure adequate.

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	Fidelity Guarantee	L	The amount of Fidelity Guarantee required is reviewed annually to ensure that the insurance cover is sufficient.	Existing procedure adequate.
	Public Liability	L	Cover in all areas. Playground – weekly visual checks, quarterly operational inspection and one external inspection is carried out. Routine maintenance is recorded, and repairs identified in the inspections are actioned. PL for highways works must be £10,000,000	Existing procedure adequate. Repairs are actioned according to risk
Freedom of Information Act	Non-compliance with the Model Publication Scheme.	L	Council's Model Publication Scheme is published on its website, with hard copies available on request	Monitor any requests made under FOI
Data Protection	Non-compliance with data protection legislation.	L	The Parish Council is registered with the Data Protection Agency; renewal is set to automatic. Council strives for compliance with the forthcoming General Data Protection Regulations (2018). A data audit and PIA (Impact Assessment) has been carried out which has identified areas where processes are required. To comply with GDPR requirements for holding personal data, Council staff reviewed and either securely retained or securely destroyed personal data records as appropriate.	All staff who hold personal data have been made aware of processing requirements and the lawful basis to hold such data.

Subject	Risk(s) identified	H/M /L	Management/Control	Review/Assess/Revise
Assets	Risk/damage	L	An annual review of assets is undertaken for insurance cover. The asset register is updated when purchases are made, and the insurers informed if it is a large purchase (i.e. over £3,000).	Existing procedure adequate. Insurance reviewed annually, with interim updates as necessary.
Property	Risk/damage	L	Parish-owned/maintained properties (Sports Pavilions, Clyst room, Public Toilets) are attended regularly by staff. Any costs for repairs/maintenance work are subject to approval by the Parish Council. Bus stops are checked periodically by the Handyman; no-smoking signage has been installed. The insurance is reviewed annually. Legionella has its own risk assessment, including regular testing and checks done to ensure compliance with legislation.	Existing procedure adequate.
Noticeboards	Risk/damage/roadside safety.	L	The Parish Council has 5 noticeboards. The insurance is reviewed annually. Any costs for repairs/maintenance work are subject to approval by the Parish Council.	Existing procedure adequate.
Boundary Signs	Risk/damage/roadside safety	L	The insurance is reviewed annually. Replacement of damaged signage is subject to Council approval.	Existing procedure adequate.
CCTV	Damage to equipment Inadequate signage not in compliance with legislation	L L L	Equipment insured and maintained. Signage is checked by staff Only DBS-checked staff have access to CCTV equipment The policy includes the process for external agencies and Police to obtain copies of data.	Existing procedure adequate. CCTV policy in place

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Business Continuity	Disaster recovery risks	L	Secure data and information storage offsite using cloud-based storage.	Existing procedure adequate.
Election	Costs of a contested election	L	High-risk in election years	There are no measures which can be adopted to minimise the risk of having a contested election. Adequate funds help in EMR.
Council records – paper	Loss through: Theft Fire damage	L M L	The Parish Council's current records are stored at the Council's Office and archived documents in the attic at the Sports pavilions. Records include historical correspondences, minutes, insurance, bank records.	Damage (apart from fire) and theft is unlikely and so provision is considered adequate.
Council records – electronic	Loss through: Theft, fire damage or corruption of computer	L M	The Parish Council electronic records are stored in Dropbox and backed up locally. Finance records are backed up locally and remotely. Council Laptops remain in the office, except where needed for meetings. Back-ups of electronic data are made at regular intervals. Office 365 and Dropbox are used (subscribed service).	Existing procedure adequate.
Staff safety and office security	Unauthorised intrusion	L	New safer working practices have been introduced, along with a door camera to record visitors to the office.	Monitor and review new process, adjust as required.
Cyber Security	Unauthorised access to council systems, files, accounts.	H	Standard processes in place e.g., DFA, anti-virus, firewall etc.	1. Cyber security audit to be arranged.. 2. All staff to attend cyber security training.

This draft Risk Register was presented for review and approved by the Finance and Governance Committee on 27th March 2025, Minute ref: F25/017.

It was presented to Full Council for ratification on 7th April 2025 with recommendation to approve.