



## Bradwell Parish Council Risk Management Scheme

### Introduction – Classification of Risk

A risk can be either strategic or operational. A strategic risk is one which is not confined to a particular area or service and which may prevent the council meeting one or more of its key objectives. An operational risk is limited in its effect to only one service, although at its most serious it could still affect the ability of the council to meet some of its key objectives.

All risk area classified according to their probability of occurrence and their impact should they occur. This gives them a probability impact score (P/I) score according to their position on the following matrix:

### Risk Assessment

Probability	Probable	4	8	12	16
	Possible	3	6	9	12
	Unlikely	2	4	6	8
	Remote	1	2	3	4
		Low	Medium	High	Very High
		Impact			

### Impact

In the case shown above, Risk A is deemed unlikely to occur but, if it did, it would have a major impact. Once a risk has been identified and evaluated it has to be decided how the Council will react. There are four options – the four T's:

- **Tolerate** – Decide to live with the risk, the possibility that it might occur and its consequences.

- **Terminate** – Eliminate the risk, usually by deciding to avoid a course of action or stop the particular activity.
- **Transfer** – Some of the financial risk may be transferred through insurance and it may be possible to transfer liability through contractual arrangements.
- **Treat** – This contains two elements. Containment is the application of measures to reduce either the probability or impact; contingency is the action to take if the event does occur.

This register gives the residual risk once the control has been applied.

The risk owner is that officer who is responsible for putting in place the arrangements as set out under the column 'Treat, Tolerate, Terminate or Transfer'. The 'owner' is specified either for all the risks in a section, or for specific risks in a section where different.

### **Strategic risks**

The strategic risks for Bradwell Parish Council have been identified as lying in the following categories: Part 1 includes:

- I) property
- II) employees
- III) activity

Part 2 is the financial risk assessment which forms part of the whole strategic risk management scheme.

## Part 1 Corporate Risk Management Scheme

### Property

Description	Probability/Impact		Treat, Tolerate, Terminate, Transfer
1 Heelands Meeting Place	Building may be rendered wholly or partially unusable as a result of fire, flood, explosion, infestation, collapse or other catastrophic event	1/4	<b><u>Tolerate/Transfer</u></b> – Through business continuity emergency plans. The building and all the Council premises are insured (see Part 2 of the risk management scheme).
2 HMP main tenant	Tenants and hall hirers may cease, rendering the property vacant and not creating income	5/3	<b><u>Treat</u></b> – Through communication with hall hirers and regularly updating the spreadsheet. Pre-School becoming insolvent. Annual checks on their pupil numbers and financial health to confirm they are in a strong financial position by the Clerk prior to rent-review every autumn. The building and contents are insured. This insurance is reviewed annually.
3 ICT system	ICT system fails preventing officers from accessing data or carrying out processing for an extended period	3/4	<b><u>Treat</u></b> Internal ICT practices limit the probability. External backup through cloud (GDrive).
4 Bradwell Common Community Centre	Acquisition does not happen or happens in a way unsatisfactory to the council	4/4	<b><u>Treat</u></b> – At Full Council meetings cllrs to discuss the terms of the transfer and vote on them. Council to consider carefully draft lease heads of terms to make sure it is amenable and does not land the Council with a large cost burden post-transfer.
5 Bradwell Sports and Social Club	Could default on rent, or go into administration and vacate the property	5/3	<b><u>Treat/Terminate</u></b> – The Parish Council will have to decide what level of financial support to give every few years.
6 Bradwell Bowls Club	Could go into administration leaving the Council with premises in poor repair	5/3	<b><u>Treat</u></b> – The Parish Council have given 5 year financial support by paying for half the Green Maintenance Cost, from April 2025 to April 2030. During this time the Clerk should monitor membership numbers to ensure the Club remains solvent. And to check the Club's constitution to ensure that in the event of insolvency the property and bank balance reverts to the Landlord.
7 Litter Bins	May be damaged or stolen	4/2	<b><u>Treat</u></b> – Through replacement of bins, and careful monitoring and repair by the Assistant Groundsman of existing bins
8 Allotments	May be damaged by fire or vandalism	3/1	<b><u>Tolerate</u></b> – Public part is insured. Private plots are the responsibility of plot holders as is made clear in their tenancy agreement.
9 Data Loss	Irrecoverable loss of more than two days data	3/4	<b><u>Tolerate</u></b> – Storage in Cloud via Microsmiths. Access not limited to devices (accounts backed up on GDrive). Minutes and agendas are on website.
10 Hacking	Someone hacks into our system	3/4	<b><u>Tolerate</u></b> – Review security software to make sure it is effective.

	and makes illegal use of data		
11 System Failure	Computer system fails for more than one day	3/3	<b><u>Tolerate</u></b> – Cloud access. Budget reserve for replacement equipment provision in financial risk assessment.
12 Bradwell Memorial Hall	The property is managed by the Parish Council, and owned by the Parish Council as sole trustee. All expenses for property management are paid for by the Parish Council. Utilities by the Trust through the trust's bank account.	4/3	<b><u>Tolerate:</u></b> The Council resolved to aim to own the property but there is an <b>£1.5k debt</b> attached and the debtor has proven hard to deal with.

## Employees

Description	Probability/Impact		Treat, Tolerate, Terminate, Transfer
1 Clerk falls ill	An outbreak of illness or disease reduces the availability of the Clerk for an extended period.	3/3	<b><u>Treat</u></b> – Consider communicating with the SLCC or BALC and MKALC to find a locum clerk.
2 Available employees fall below 50% through industrial action	Industrial action (internal or external) reduces the number of people available at work for an extended period by more than 50%	5/3	<b><u>Treat</u></b> – Consider action if industrial action is signalled. Review employment conditions and policies for fair treatment of staff and performance management linked to salary reviews.
3 Employees attacked	An employee is attacked and injured while on Council business	5/5	<b><u>Treat</u></b> – Lone working rules/policy. Review process regularly.
4 Litigation	An employee takes legal action against Council under employment law and wins damages of £20k	2/2	<b><u>Tolerate</u></b> – Implementation and audit of HR processes.
5 cleaning staff	Cleaning staff unable to work at short notice through sickness or dispute		<b><u>Treat</u></b> – consider hiring a cleaning agency in order to provide a backup service.
6 Staff unable to meet the Parish's needs	Insufficient trained staff to meet targets	2/2	<b><u>Tolerate</u></b> – Recruit experienced consultants when appropriate, continue to train existing staff, conduct annual appraisal meetings of existing staff to assess their capabilities and performance.

## Activity

1 Public Confidence	Council's reputation is damaged by serious breach of Members' Code of Conduct	2/3	<b><u>Treat</u></b> – Declaration of Interests procedure and Member training.
2 Properties become run-down	Council's reputation damaged by effects of commercial tenants	4/4	<b><u>Treat</u></b> – If this happens the Parish Council will have to react to public opinion accordingly – by posting on public media sites and the noticeboards and by resolving the cause of the problem.
3 Investigation	A major investigation results in paralysis while people are suspended	1/3	<b><u>Tolerate</u></b> – availability of locum clerks or temping agencies for the assistants/staff. Consider a cleaning agency.
4 Public image	Council services alleged as poor, resulting in our reputation suffering eg through a newspaper campaign	3/2	<b><u>Treat</u></b> – Thorough training of staff should prevent. Impact could be contained by ensuring good response to public enquiries, tackling specific complaints and by effective handling of services and contracts.
5 Dog & litter bin services	The service deteriorates and the bins become unhygienic	2/3	<b><u>Tolerate</u></b> – This is a risk associated with a contractor. If the contractor fails to deliver a good service, the contract should be terminated and another company sought to replace.
6 Finances – overspend in a year above 10%	The Parish overspends significantly in a year	4/2	<b><u>Treat</u></b> – <b>Maintain a high level of reserves over and above the budgeted reserve. For example have an EMR of, say 50% of precept requirement over and above the reserve stated in the reserve policy.</b>
7 Loss of partner organisation	Contractor unable to deliver service to standard	2/2	<b><u>Treat</u></b> – Advertise opportunity, contract management and reporting, replace using tender process. The main risk here is the dog & litter bin emptying service.
8 Loss of tenants	Take up of allotments falls below 75%	2/2	<b><u>Tolerate</u></b> – Publicity to alleviate.
9 Illegal decision	Decisions successfully challenged on grounds of procedural legality	1/3	<b><u>Treat</u></b> – Adherence to Standing Orders, Financial Regulations and members' Code of Conduct.

**Part 2 Bradwell Parish Council – Financial Risk Assessment 2024/25**

Item	Service area	Risk	Recommendation
1	Insurance	Public liability £12,000,000.00 limit	Review insurance provision annually in January
2		Employers liability £10,000,000 limit	
3		Fidelity guarantee £250,000 limit	
4		HMP: £600,000 Barn in Bradwell: £ £400,098.55 Sports and Social Club: £541,805.46 BMH: £634,100.00 Bradwell Bowls Club: £121,220.00 HMP contents value: £15,609.59 Contents bmh: £5,000 Contents bowls club: £14,131.00  Contents Contents (a) Parish Office, 21 Glovers Lane, MK13 7LW £9,516 Additional Items: Item Description Sum Insured Excess 2 Motor Mowers £1,932.44 1 Hedge Trimmer £735.67 Play Equipment and Associated Safety Surfacing £83,107.03 2 Motor Strimmers £1,324.21 Seats/Benches and Bins Situated at King Georges Field £3,071.96 Set of Gang Mowers £2000 20ft Freight Container £3,728.09 Lawn Tractor £5,411.82	
5		Legal expenses £100,000.00 limit	
6		Loss of revenue	
7		Officials indemnity £50,000.00 limit	
8		Libel and slander £100,000.00 limit	
9		Personal accident £500,000.00 limit	
10	Payroll	Independent payroll service provided by Connolly accountants (third party)	<ul style="list-style-type: none"> <li>• Access payroll information on website.</li> <li>• Identify new provider if the accountants cease trading.</li> </ul>

11		Loss of data on PC due to system fault	<ul style="list-style-type: none"> <li>Update and backup payroll with all information each month to Microsmiths Cloud storage provision.</li> </ul>
12		Loss of services of employee. There are one full time and 2 part-time employees. The Parish Clerk/RFO is an essential post for the administration of the Parish Council	<ul style="list-style-type: none"> <li>Immediately decide whether to recruit for any part time vacancy (if permanent loss).</li> <li>For the Parish Clerk, immediately source a locum to cover sickness and absence through the Parish Clerk network.</li> </ul>
13	Administration	Payment arrangements	Refer to the Financial Regulations.
14		Reconciliation	Refer to the Financial Regulations.
15		Employment law and legal advice	Continue with memberships of NALC, BALC & MKALC and SLCC. Obtain further legal advice where required
16	Allotments	Public liability Increase in net expenditure	<ul style="list-style-type: none"> <li>Maintain Public Liability insurance</li> <li>Review allotment rents annually.</li> <li>Re-allocate vacant plots immediately</li> </ul>
17	Precept	Annual precept not the result of proper detailed consideration	Continue to use the Finance and Staff Committee to prepare, review and propose the business plan, and draft budget then present the draft budget to full council meeting for amendment/approval with the income and expenditure from the previous and current years.
18		Illegal expenditure	Continue to ensure any expenditure is within legal powers.
19		Inadequate monitoring of performance	<ul style="list-style-type: none"> <li>Monthly review of expenditure at full council.</li> <li>Detailed consideration of issues at Finance and Staffing committee.</li> </ul>
20	Accounting	Non-standard and/or non-compliant records kept	<ul style="list-style-type: none"> <li>Continue to require adequate, complete and statutory financial records and accounts.</li> <li>Provide training.</li> <li>Use accounting software provider with specialism for small councils and support services.</li> </ul>
21		Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns	<ul style="list-style-type: none"> <li>Continue to ensure that all accounts and returns are completed and submitted by the deadlines.</li> <li>Provide training.</li> </ul>
22		Non-compliance with internal and external audit requirements	<ul style="list-style-type: none"> <li>Continue to ensure that an internal auditor is appointed.</li> <li>Provide training and support for book-keeping, financial controls and end of year work.</li> <li>Ensure deadlines are met.</li> </ul>

23	Contracts	Ensure continued value for money coupled with continuity and quality of work	Approve the practice of seeking tenders and quotes for services according to the Financial Regulations.
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