

Area	Risk	Level	Control <i>(and agreed improvements)</i>
<b>Assets</b>	Protection of physical assets	L	<p>The Parish Council owns physical assets such as bus shelters, notice boards, planters, play equipment, portable staging, grass cutters, public seating, waste bins, War memorials, gardening equipment, security equipment, equipment for snow clearance, equipment required for the maintenance of sports surfaces, computers and related equipment, mobile sports court and specialist container and office equipment. Insurance exists in relation to 3<sup>rd</sup> party liability.</p> <p>Each asset together with their purchase price is contained in the Parish Council Asset Register. The combined replacement cost of these is in excess of £500,000. To insure for replacement will be in the region of £3,000/annum (£250 to £750 excess in respect of any claim). The Parish Council has previously resolved to make financial provision for the replacement of these assets on a cyclical basis of between 5 and 25 years dependant on the economic life of each asset. The Parish Council considers that this earmarked fund gives the most cost effective solution for cyclical and other required replacements. The necessary financial contribution to this fund is calculated on an annual basis each January and the required provision is identified in the Parish Council budget.</p> <p>Although formal transfer of Allotments from NCC has not yet taken place. Allotments are regularly inspected.</p> <p>From 1 April 2013 Northumberland County Council transferred the responsibility for play areas to the Parish Council. The replacement cost of equipment located in these play areas is in the region of £225,000.00. The Parish Council has previously agreed to make provision</p>

			<p>for the replacement of all play equipment on a cyclical basis (15 to 20 years). It is considered that this fund is adequate for replacement of equipment through damage/vandalism. The liability for play areas and any land when transferred to the Parish Council will be automatically covered under the existing Public Liability insurance.</p> <p>During 2020/2021 financial provision has been made for the replacement of 3 play areas in line with the schedule detailed above.</p>
	Security of buildings, equipment etc	L	<p>The Parish Council owns one building, which is subject to a long term (peppercorn community lease) lease, with the tenant being responsible for security, maintenance, and repair. The Parish Council offices are located within premises owned by a local charity. Office equipment is contained within a secure environment. It is anticipated that the Parish Council will own or have purview of additional community buildings in the future. A separate consideration of risk will be undertaken for each building. The Parish Council owns a modular sports facility (MSF) that can be transported from area to area in a secure trailer. When not in use the MSF and trailer are stored in a secure area when not in use. Replacement of this facility is provided for through earmarked funds.</p>
	Maintenance of buildings, equipment etc	L	<p>A full maintenance contract exists in respect of photocopying equipment (3 machines, 2 owned by the Parish Council, 1 on permanent loan from Newman Associates), with IT equipments being self-managed. One of these machines is scheduled for replacement. Financial provision has been made for their future replacement through earmarked funds.</p>
<b>Finance</b>	Banking	M	<p>It is anticipated that not more than £750,000 will be held in accounts at any one time during 2020/2021. The budget set by the authority for 2020/2021 does not anticipate any interest/charges on our principal account. The funds held will reduce during the financial year as earmarked expenditure for the development of community facilities are made. Fidelity insurance will be regularly reviewed, and initially</p>

			<p>set at £750,000. Members will review the level of fidelity insurance required on a quarterly basis and to direct adjustments to ensure value for money.</p> <p>Currently all funds are held in 2 accounts, Unity Trust and CCLA (Public Sector deposit Fund). Parish Council funds are excluded from the Financial Services Compensation Scheme and deposits with CCLA are made to mitigate risk.</p> <p>These investments will be made in accordance with the Parish Council's Investment Strategy, which was reviewed in March 2020 (C064/19).</p>
	Risk of consequential loss of income	L	Partnership projects are funded, in part through investment from partner organisations. All activity beyond this is funded through precept income.
	Loss of cash through theft or dishonesty	H	Only small amounts of cash are handled. However, in the age of electronic banking it is considered that a Fidelity Guarantee of £750,000.00 is required (see recommendation contained in Financial Banking above).
	Financial controls and records	M	Financial Regulations are currently being reviewed. Monthly bank reconciliation and quarterly budgetary control reports prepared by Clerk and reported to Council. Two signatures from five signatories on cheques. Members perform scrutiny checks by rota on a weekly basis. Internal and external audit. All procedures and processes reviewed annually. The Parish Council has adopted an Investment Policy.
	Comply with Customs and Excise Regulations	M	<p>VAT payments and claims calculated by Clerk/Responsible Finance Officer. Open to inspection by members. Internal and external auditor to provide double check.</p> <p>The Parish Clerk and Deputy Parish Clerk undertake VAT training on an annual basis to ensure compliance and realisation of any financial benefit. The Parish Council has retained the services of an external VAT adviser to support the council when required.</p>

	Sound budgeting to underpin annual precept	M	Reports to Council contain examination of Financial and Resource implications. Council receives and considers detailed budgets as part of its annual consideration December/January. Precept derived directly from this. Income & Expenditure against budget reported to Council every quarter.
	Complying with borrowing restrictions	L	No borrowing has been made by the Parish Council to date.
<b>Liability</b>	Risk to third party, property or individuals	M	Public Liability insurance in place. Existing cover of up to £10m.
	Legal liability as consequence of asset ownership	M	Assets owned are contained in the Asset Register and include street furniture. The mobile court is owned by the Parish Council and will be operated on our behalf by a third party with all necessary liability insurance.
	Libel and Slander	M	Members and clerk - standard cover up to £250,000 (This cover extends to the Deputy Parish Clerk and other staff).
	Officials Indemnity	M	Cover for members and clerk for any negligent act, accidental error or omission committed - standard cover up to £500,000 (This cover extends to the Deputy Parish Clerk).

<b>Employer Liability</b>	Comply with Employment Law	M	Advice sought from National Association of Local Councils when required. Existing insurance cover up to £10m in respect of most aspects. Potential cover in respect of Tribunals is limited to £50k. The Parish Council is classed as a Larger Local Council and has made budget provision to obtain, when required, legal advice to support the authority in respect of legislative changes, increased responsibility/liability and to protect the authority from any legal actions mounted against the authority. Provision has also been made to support the development of each member of staff.
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	Comply with Inland Revenue requirements	M	Northumberland County Council undertakes all payroll functions on behalf of the Parish Council. Internal and external auditors carry out annual checks.
	Compliance with Pension Fund requirements	M	The Parish Council has 4 employees. Currently all employees are members of the Local Government Scheme. Necessary policy reviews and statements are prepared under the direction of Northumberland County Council which administers the scheme.
	Safety of Staff and Visitors	M	Parish Office located within Stakeford and Bomarsund Sports and Social Welfare Centre, a community building. The Parish Council is becoming engaged on an increasing basis in organising events where health and safety process and procedures are required in both planning and delivery. Risk grows with activity and the Parish Council has commissioned support both legal and technical consideration in terms of legislative change and increased regulatory requirements. This is through contract to an external provider.  Training in respect of risk assessment has been undertaken by 3 members of staff, and additional training for all staff will be undertaken during the course of the next 12 months.
<b>Legal Liability</b>	Ensuring activities are within legal powers	H	Clerk clarifies legal position on any new proposal ensuring legal authority. Legal advice to be sought when necessary.
	Proper and timely reporting via the Minutes	M	Council meets quarterly and receives and approves Minutes of meetings held in interim. Minutes made available through website.
	Proper document control	L	Leases and legal documents held in the Parish office. Key documents to be stored at bank or at solicitors. Compliance with the requirements of GDPR, FoIA and other requirements will be demonstrated.

<b>Councillor Propriety</b>	Registers of Interests and gifts and hospitality in place	M	Register of interest completed. The acceptance of gifts and hospitality is not encouraged and there is a requirement to declare any gifts or hospitality (over £50 in value) as and when received. This requirement extends to members and employees and is reviewed annually.
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**Ms A Brindley**  
**Parish Clerk and Responsible Finance Officer**  
**9 June 2020**