PRESTATYN TOWN COUNCIL

Risk Management Policy

2025 / 2026

DRAFT

VERSION

Version	Date	Section	Details of Change
1	01.07.2022	Whole of Document	Whole of document first draft for approval
2	28.09.2022	Index	Addition of full risk assessment following Section 8 – Conclusion
2(a)	04.07.2025	Risk Assessment Appendix	Risk assessment updated
2(b)	22.12.2025	Minor edits	Minor editing; general risk assessment updated
2(c)	17.02.2026	Minor updates; risk assessment update	Fire safety included and Fire Safety Risk Assessment added
2(d)	April 2026	Risk assessment update	Policy Review Sub-Committee updated risk assessment. *Version awaiting approval.*
3.0	June 2026	Section 9 Fire Safety	Telephone number change to 01745 881952 Removal of Community Events and Administration Officer – changed to Community Liaison Officer.

APPROVALS AND DISTRIBUTION

Version	Date	Meeting	Reference / Minute Number	Members
1	13th July 2022	F&M	69	15 Cllrs
1	3rd May 2023	AGM	13	17 Cllrs
2(b)	05.02.2026	Policy Review Sub-Committee	Agenda item 2	3 Cllrs
2(c)	03.03.2026	Policy Review Sub-Committee	No.4, Policies Reviewed	3 Cllrs
2(c)	12.03.2026	Policy Review Sub-Committee	No.2, Policies Reviewed	3 Cllrs
2(d)	April 2026	*Awaiting approval*		
3.0	June 2026	*Awaiting approval*		

Signed: ____

Date: ____

Contents

1. INTRODUCTION

1.1 This document forms the Council's Risk Management Policy; it sets out:

- What risk management is
- Why the Council needs a risk management strategy
- What is the council's philosophy on risk management?
- What is the risk management process?
- Roles and responsibilities
- Future monitoring

1.2 The objectives of this policy are to:

- Further develop risk management and raise its profile across the Council
- Integrate risk management into the culture of the organisation
- Embed risk management through the ownership and management of risk as part of all decision-making processes
- Manage risk in accordance with best practice

2. RISK MANAGEMENT

2.1 Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.' Audit Commission, Worth the Risk: Improving Risk Management in Local Government' (2001: 5).

2.2 Risk management is an essential feature of good governance. An organization that manages risk well is more likely to achieve its objectives. It is vital to recognise that risk management is not simply about health and safety but applies to all aspects of the Council's work.

2.3 Not all these risks are insurable and for some the premiums may not be cost effective. Even where insurance is available, a monetary consideration might not be an adequate recompense. The emphasis should always be on eliminating or reducing risk before costly steps to transfer to another party are considered.

2.4 Risk is not restricted to potential threats but can relate to missed opportunities. Good risk management can facilitate proactive, rather than merely defensive responses. Measures to manage adverse risks are likely to help with managing positive ones.

2.5 Risks can be classified into various types, but it is important to recognize that for all categories the direct financial losses may have less impact than the indirect costs such as disruption of normal working. The examples below are not exhaustive.

Strategic Risk

This includes long-term adverse impacts from poor decision making or poor implementation. There is risk of damage to the reputation of the Council, loss of public confidence and, in a worse-case scenario, Government intervention.

Compliance Risk

This includes failure to comply with legislation, laid down procedures or the lack of documentation to prove compliance. Risks exposure to prosecution, judicial review, employment tribunals and the inability to enforce contracts.

Financial Risk

This includes fraud and corruption, waste, excess demand for services and bad debts. Risk of additional audit investigation, objection to accounts, reduced service delivery, dramatically increased Council Tax levels/impact on Council

Operating Risk

This includes failure to deliver services effectively, malfunctioning equipment, hazards to service users, the general public or staff, and damage to property. Risk of insurance claims, higher insurance premiums, lengthy recovery processes.

3. RISK MANAGEMENT POLICY STATEMENT

Prestatyn Town Council (PTC) recognises that a responsibility to manage risks effectively to protect employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise the opportunities to achieve the council’s vision.

The council is aware that some risks can never be eliminated fully, and it has in place a strategy that provides a structured, systematic and focused approach to managing risk. Risk management is an integral part of the council's management processes.

4. THE NEED FOR A RISK MANAGEMENT POLICY

4.1 Risk management will strengthen the ability of the Council to achieve its objectives and enhance the value of services provided.

4.2 The Risk Management Strategy will help to ensure that all Committees/service areas understand risk and that the Council adopts a uniform approach to identifying and prioritising risks. This should in turn lead to conscious choices as to the most appropriate method of dealing with each risk, be it elimination, reduction, transfer or acceptance.

4.3 Strategic risk management is also an important element in demonstrating continuous service improvement.

4.4 There is a requirement under the Accounts and Audit Regulations 2015 to establish and maintain a systematic strategy, framework and process for managing risk.

5. IMPLEMENTING STRATEGY

5.1 Risk Control

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and/or reducing the severity of the consequences should it occur. Typically, risk control requires the identification and implementation of revised operating procedures, but in exceptional cases more drastic action will be required to reduce the risk to an acceptable level.

Options include:

- **Elimination:** the circumstances from which the risk arises are removed so that the risk no longer exists
- **Reduction:** loss control measures are implemented to reduce the impact / likelihood of the risk occurring
- **Transfer:** the financial impact is passed to others e.g. by revising contractual terms
- **Sharing:** the risk is shared with another party
- **Insuring:** insure against some or all of the risk to mitigate financial impact
- **Acceptance:** documenting a conscious decision after assessment of areas here the Council accepts or tolerates risk.

5.2 Risk Monitoring

The risk management process does not finish with putting any risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of any risk has changed over time.

The information generated from applying the risk management process will help to ensure that risks can be avoided and minimised in the future. It will also inform judgements on the nature and extent of insurance cover and the balance to be reached between self-insurance and external protection.

5.3 Risk Management System

Risk identification

Identifying and understanding the hazards and risk facing the Council is crucial if informed decisions are to be made about policies or service delivery methods. The risks associated with these decisions can then be effectively managed.

Risk Analysis

Once risks have been identified they need to be systematically and accurately assessed using proven techniques. Analysis should make full use of any available data on the potential frequency of events and their consequences. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to the risk.

Risk Prioritisation

An assessment should be undertaken of the impact and likelihood of risks occurring, with impact and likelihood being scored using a matrix.

This will require a numeric value to be given to both the likelihood of the risk happening and the severity of the impact if it did, based upon the following scoring:

- Low: 1 to 5
- Medium: 6 to 11
- High: 12 to 25

Where a residual risk is low further action will only be taken where it is viable to do so. Medium risks will be addressed within the next three to six months. High risks will require action as soon as possible.

6. ROLES AND RESPONSIBILITIES

6.1 It is important that risk management becomes embedded into the everyday culture and the performance management process of the Council. The roles and responsibilities set out below are designed to ensure that risk is managed effectively right across the Council and its operations, and responsibility for risk is in the right place. The process must be driven from the top but must also involve staff throughout the organisation.

Elected Members

Risk management is seen as a key part of the Elected Member's stewardship role and there is an expectation that Elected Members will lead and monitor the approach adopted, including:

- Approval of the Risk Management Strategy – *delegated to Finance & Management Committee*
- Analysis of key risk in reports on major projects, ensuring that all future projects and services undertaken are adequately risk managed – *Full Council*
- Consideration, and if appropriate, endorsement of the Annual Report – *Full Council*
- Assessment of risks whilst setting the budget, including any bids for resources to tackle specific issues – *Full Council*

Employees

Employees will undertake their job within risk management guidelines, ensuring that their skills and knowledge are used effectively. All employees will maintain an awareness of the impact and costs of risks and how to feed data into the formal process. They will work to control risks or threats within their jobs, monitor progress and report on job related risks to the Town Clerk.

Town Clerk

The Town Clerk will act as the Lead Officer on Risk Management and be responsible for overseeing the implementation of the Risk Management Strategy. The Town Clerk will:

- Provide advice as to the legality of policy and service delivery choices
- Provide advice on implications for service areas of the council's corporate aims and objectives
- Update the council on the implications of new or revised legislation and assist in handling any litigation claims
- Provide advice on any human resource issues relating to strategic policy options and the risks associated with operational decisions
- Assist in handling cases of work-related illness or injury
- Advise on any health and safety implications of the chosen or proposed arrangements for service delivery
- Assess and implement the council's insurance requirements and assess the financial implications of strategic policy options
- Provide assistance and advice on budgetary planning and control
- Ensure that the Financial Information System allows effective budgetary control
- Maintain the council's Risk Register
- Effectively manage the council's investment and loan portfolio

Role of Internal Audit

Internal Audit provides an important scrutiny role by carrying out audits to provide independent assurance to the Council that the necessary risk management systems are in place and all significant business risks are being managed effectively.

Internal audit assists the Council in identifying both its financial and operational risks and seeks to assist the Council in developing and implementing proper arrangements to manage them. This includes adequate and effective systems of internal control to reduce or eliminate the likelihood of errors or fraud.

Internal Audit reports, and any recommendations contained within, will help to shape the Annual Governance Statement.

Risk Management Policy

Annual Review and future development of the Risk Management Policy will be overseen by the Policy Sub-Committee and approved by the Full Council.

Training

Risk Management training will be provided to Elected Members and staff through a variety of mediums. The aim will be to ensure that both Elected Members and staff have the skills necessary to identify, evaluate and control the risks associated with the services they provide.

Reporting

In addition to the roles and responsibilities set out above, the Council is keen to promote an environment within which individuals / groups are encouraged to report adverse incidents promptly and openly.

7. FUTURE MONITORING

This Strategy will be reviewed regularly by the Policy Review Sub-Committee and subject to compliance monitoring in the Compliance Monitoring Plan.

8. CONCLUSION

The adoption of a sound risk management approach should achieve many benefits for the Council. It will assist in demonstrating that the Council is committed to continuous service improvement and effective corporate governance.

9. FIRE SAFETY

Prestatyn Town Council (PTC) office is situated at the below address:

Prestatyn Town Council Office
7 Nant Hall Road
Prestatyn
LL19 9LR

The premises are used for the administrative purposes of Town Council business and are open and available to the public Monday to Friday. The premises are also the base for part-time and full-time employees and workers of PTC.

The responsible person for the Fire Safety is:

The Assistant Town Clerk (Fire Marshall)
The telephone number: 01745 881952

It is the policy of PTC to protect all persons including employees, customers, contractors, and members of the public from potential injury and damage to their health which may arise from work activities. The council will provide and maintain safe working conditions, equipment, and systems of work for all employees, and provide such information, training and supervision as may be needed for this purpose. The council will comply with all statutory regulations.

ASSESSMENTS & REVIEWS

PTC commits to carrying out a Fire Safety Review (FSR) and Fire Safety Risk Assessment at least annually, which will be communicated to all staff. An assessment will be carried out as needed following any major works or changes to the office environment.

A Fire Safety Risk Assessment (FSRA) is carried out regularly by PTC's contractor: Raven. The designated Fire Marshalls for PTC are the Assistant Clerk and the Community Liaison Officer.

RISK ASSESSMENT KEY

Probability	Severity Impact				
	1 – Insignificant *(e.g. does not disrupt council operations)*	**2 – Minor** *(e.g. minor sickness/injury; up to 3 days absence; minor business disruption)*	**3 – Moderate** *(e.g. sickness / injury absences up to 2 weeks; reportable event; professional intervention; noticeable business disruption)*	**4 – Major** *(e.g. hospital stays; 2 weeks+ absences; long-term incapacity; major business disruption)*	**5 – Catastrophic** *(multiple serious injuries; death; structural collapse of buildings)*
1 - Unlikely	1	2	3	4	5
2 - Rare	2	4	6	8	10
3 - Possible	3	6	9	12	15
4 - Likely	4	8	12	16	20
5 - Very Likely	5	10	15	20	25

Green = low

Yellow = medium

Red = high

PRESTATYN TOWN COUNCIL – GENERAL RISK ASSESSMENT 2026

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
1.	Risk of security and fire and damage to buildings: • Nant Hall Road • Jubilee Centre • Ty Caradoc • Ty Pendre • Lock-up premises • Container	• CCTV • Fire Alarm • Burglar Alarm • Locks • Fire Doors • Health & safety of users • Lone working • Storm Damage	Council Offices (Nant Hall Road) provided with locks, security and fire alarm systems, internal CCTV, security doors, flood gates, PAT testing; annual contracts in place to maintain integrity. Council policies address health & safety and wellbeing measures. Risk assessments will be regularly updated with management oversight. Ty Pendre fitted with roller shutter and security doors. Community Centres leased to third parties who are responsible for day-to-day operations and security. Regular use of premises to avoid dormancy. Appropriate premises insurance annual cover. Zurich insurance policy.	1	5	M	Property surveys were completed in 2021; updated as needed Potential use of a panic button. Council policy dictates locked doors and no visitors for lone working staff.
2.	Vulnerable buildings/ equipment	Bus shelters, seats, notice boards and open spaces Vandalism	Contract in place for regular maintenance, cleaning and inspection.	1	2	L	Regular review
3.	Provision services under agency /partnership	May alter each year	Each grant aid programme is monitored, and financial transactions subject to individual	1	1	L	Regular review

			records. Service agreements and joint partnership agreements adopted where required. Council Grants & Aid policy and Financial Regulations cover council policy.				

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
4.	Financial Regulations	Reputational damage Loss of income Legal proceedings Corruption Overspend Fraud	Requires periodical review to ensure overall arrangements reflect current requirements. To cover: • Income • Expenditure • Petty Cash • Returns • Budget Monitoring • Software installed for accounting processes • Online Banking systems utilised with associated security settings • Financial regulations periodically reviewed and updated • Regular returns to inland revenue • Grant aid returns • VAT • Renumeration panel returns • Annual audit return • Monthly Paid Accounts • Quarterly budget and end of year statements reported to Full Council and Finance & Management committee	2	4	M	Regular reviews Regular staff training Ensuring policies remain complaint Councillors receive appropriate training Compliance with HMRC rules of VAT returns

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
5.	Standing Orders	Corruption Overspend Fraud Reputational damage Loss of income / legal proceedings	Regular reviews and remaining up to date with legislation changes and best practice measures.	2	4	M	*As above*
6.	Reporting on Contracts	Corruption Overspend Fraud Reputational damage Loss of income / legal proceedings	Reported to F&M Committee annually but contracts can be awarded up to three years subject to satisfactory performance. Council has a legal duty to obtain local goods and services where possible and available, including tender processes. Regularly submitted to F&M committee for approval. Quotes under £5K / tenders over £5K. New contracts when agreed can involve different legislative compliance requirements using a variety of: • Suppliers • Providers • Contractors • Procurement procedures **Preferred Contractors List**	2	4	M	Regular and focussed monitoring; council policy compliance. *Priority for Policy Review Sub-Committee to look at procedures.*

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
7.	Standing Committee's Statement of responsibility for each service	Lack of coherence for operating procedures Governance failure	Overall responsibility of Full Council. Changes were introduced to Sub-Committees operating terms to allow F&M Committee to delegate advisory responsibility to them for certain areas. Resources & Appeals Committee can be called at any time to address concerns. Staffing Sub-Committee can monitor staffing situation, address minor concerns and timely refer escalating issues. Regular analysing and monitoring of Terms of Reference for Committees to review the scope of work.	2	4	M	Workload delegation and monitoring to Sub-Committees complete; continuous committee monitoring and operating procedures.
8.	Monetary transactions	Cash holdings	Controls in place: • Separate cash holding away from main reception • Controls on small level of cash held in office • Petty cash will be phased out of use and bank cards will be used for small payments • Financial Regulations	1	2	L	Look at potential panic button Phase out petty cash use CCTV
9.	Performance of delivery of services	Staffing and defined staff roles; failure of staff to deliver satisfactory levels	Regular reports to relevant committees Monthly financial updates submitted Monitoring staffing issues and concerns; compliance monitoring and use of training plans.	2	3	M	Staffing issues have been settling down. Further job role specialisation needed – recruitment under way.

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
10.	Investments	Bad investing	Treasury deposit and/or bank savings account utilised with regular reports to F&M Committee. Council has an Investment Strategy Policy.	2	1	L	Regular review of investment strategy
11.	Fraud and Corruption	Staffing; insufficient controls and policy compliance	Council has defined internal financial regulations and systems including designation of Responsible Financial Officer. Independent Internal Auditor appointed by council and External Auditor appointed by Welsh Assembly Government. Oversight by F&M Committee and Full Council.	2	4	M	Regular review of financial controls; competent staff; sufficient oversight. Resolve audit identified issues
12.	Minutes and Records	Minute-keeping Lack of transparency and accountability; inappropriate practices. Financial records	Standing Orders provide clarity for recording council's decisions, record legal basis and ensure legislative powers are correctly applied. Record details of decisions and legal powers; use of numbered pages; master copies kept in council's office for safekeeping. Regular reporting of financial transactions to F&M Committee. Appropriate documents published online.	2	2	L	Regular reviewing and monitoring of council's operating practices and policies
13.	Internal Controls	As above. Lack of processes; environment for bad practice.	Standing orders and financial regulations; regular financial reports to committee. Code of conduct for Members and Officers. Independent internal auditor appointed who regularly attends. Annual year end reporting and timely / topical reports to Members as and when required. All incoming mail recorded / visitors book in reception.	2	3	M	Regular recording, reviewing and monitoring

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
			Outgoing correspondence letters etc recorded in filing systems. Post book and reception monitored.				
14.	Management Capacity and Effectiveness	Overall service delivery Loss of keyworkers Staff recruitment & retention Succession Planning Staff disciplinary processes Office equipment and maintenance Fluctuation in service operations	Organisation structure regularly reviewed and adapted as needed. Day-to-day management competently undertaken by Town Clerk. New council policy for recruitment and retention: to standardise recruitment practices and improve retention procedures. Staffing Sub-Committee oversight, monitoring and line management of Town Clerk. Wellbeing measures monitored and introduced (e.g. dehumidifier), along with health & safety measures (e.g. recent carpets installation and staff kitchen restructuring).	3	4	H	Staff structure is under review Regular reviews and efficiency monitoring Policy and compliance training Staffing Sub-Committee has been designated new duties and monitoring responsibilities – regular meetings and reviews undertaken Regular meetings and policy reviews / monitoring by Policy Review Sub-Committee
15.	Data Protection Act	Legislation requirements Loose data and breach GDPR	All information is assumed to be subject to data protection and freedom of information requirements. Unless exempt or not covered. Regular reviews by Policy Review Sub-Committee. Access to office records restricted to staff and other material requests/enquiries referred to Town Clerk/Financial Officer.	2	3	M	Review of present arrangements and policies to be approved. Ongoing training Ongoing reviews

			Compliance training and GDPR training.				

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
16.	Financial Grant Awards for local events	Inadequate procedures for grants awarded Damage to reputation Lack of compliance to procedures Malicious grant applications Declarations of interest	Council Grants & Aid Policy has been reviewed and updated. Continuous monitoring for best practice. Strict adherence and monitoring of declarations of interest.	2	2	L	Process has been reviewed Monitoring of process Improved staff training
17.	External Grants	Procedures for grants	Procedure for dealing with external grants includes separate recording in financial statements and maintenance of records. Council's Grants & Aid Policy. Careful monitoring required for different recording requirements of external bodies and timing of cashflows.	1	3	L	Process has been reviewed. Monitoring of process.
18.	Consultation requests	Procedure to deal with consultation requests may produce the wrong / false result Community upset	Dependent upon timescales provided and Committee timetable; require Full Council approval. General public consultations recorded in publication schedule.	1	2	L	Review of public consultation procedures

19.	Members Interest/Hospitality Register	Requirement to maintain records	Declarations of Interest recorded at meetings and declarations kept; a new Register of Member Financial and Other Interests was adopted for use post elections 2017.	2	2	L	Monitoring and maintain council registers

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
20.	Adoption of Code of Conduct	Damage to reputation Code of Conduct not adopted or adhered to	There is a requirement for Councillors to recognise corporate actions and responsibility within a democratic framework. Codes of Conduct adopted and acknowledged upon councillor elections. All Councillors receive mandatory training opportunities on Code of Conduct. Further training for Mayor, Deputy, Chairman and Vice Chairman offered via One Voice Wales/Denbighshire County Council. Staff are subject to National Joint Councils Terms and Conditions of Service and Society of Local Council Clerks terms for Town Clerk/Financial Officer. Adoption of code of conduct for officers.	2	4	L	Reviewing and monitoring Mandatory obligation for councillors to meet training requirements
21.	Public Events including Mayoral activities	Injuries, deaths, property damage	The council's role in holding events and activities requires individual assessment of risk, organisers, type, style, size, etc.	2	4	M	Martyn's Law – applicable to larger areas, larger events

			Denbighshire County Council has introduced a comprehensive events licencing application form for all types of events. The licensing process has resulted in an increased workload and loss of flexibility in arrangements for smaller local events. Risk assessments required for each event that the council is involved in.				and must be considered when relevant.

	Management Risk	Risk Items	Control Measures	Probability	Severity	Risk Rating	Action Required
22.	Major Projects	All significant new projects/activity require assessment for financial, human resource and legal implications. Timing of grant receipts and payments must be assessed.	Robust scrutiny of new projects and attention to HR support necessary for such activities is undertaken as part of preliminary considerations. Joint Partnership Agreement available for significant projects. Timing of grant receipts and payments must be assessed against cashflow.	1	3	L	Compliance monitoring
23.	Freedom of Information Act and Subject Access Requests.	Disruption to council operations.	Robust management controls are in place to minimise impact. FOI and SAR policy regularly reviewed and updated as needed.	1	3	L	Use of publication scheme to improve council transparency and limit need for FOI and SAR.
24.	Protection of physical assets	Record of assets/investments	Maintain and update assets register and any investments.	1	2	L	Maintain and update registers
25.	Maintenance of buildings	Cost of property upkeep	Council owned property subject to ongoing property surveys and valuations. Costed property action plans are prepared and funds sought for repair works.	2	3	M	Landlord/tenant responsibilities monitored.

							Leases / rental agreements monitored
26.	Insurance cover	Maintain insurance covers	Review cover annually or as needed.	1	3	L	Annual review
27.	Consequential loss	Business interruption requirements	Insurers provide business interruption and consequential loss cover.	2	4	M	Regular review
28.	Robustness of insurance provider	Integrity of Insurance cover	Present insurer is recognised national company and provider of insurance for local Councils (Zurich)	1	3	L	Regular review