

DEENE & DEENETHORPE PARISH COUNCIL

RISK ASSESSMENT

PREAMBLE & GUIDANCE

Every Council should have in place a system to help it to manage risk. This system will be simple for the smallest parishes and more complex for larger parish and town councils. A council's internal auditor may use this risk management system to help to identify what tests to carry out as part of the audit.

Risk management is important. The failure to manage risks effectively can be expensive in financial terms and also in terms of service delivery. Most clerks will already be assessing and managing risks in some way or other but there maybe room to improve and document existing practices.

Members are ultimately responsible for risk management because risks threaten a council's ability to achieve its objectives. The clerk should therefore ensure that members should:

- Identify the key risks facing the council
- Evaluate the potential to the council of one of these risks taking place; and
- Agree measures to avoid, reduce or control the risk or its consequence.

Every council is different and there is no such thing as a standard list of risks. There are however a number of common themes that are likely to emerge. These might include:

- Physical assets – buildings, equipment, IT hardware etc.
- Finance – banking, loss of income, petty cash etc.
- Injury to the public – in playgrounds & recreation grounds, in village halls, at burial grounds etc
- Complying with legal requirements – agendas and minutes, burial records, etc
- Councillor propriety – declarations of interest, gifts and hospitality etc

The clerk needs to consider each of the possible risks under each of the identified schemes. For example physicals assets could be lost as a result of fire or flood, damaged by vandals, stolen or simply deteriorate through lack of maintenance.

All these risks can be minimised or transferred by various means such as taking out insurance, securing alarms or by regular inspection and maintenance. In addition to identifying risk, it is a good idea to make a judgement about likelihood of the risk occurring and its potential impact. Classification need be no more complicated than high, medium or low. There are three main ways of managing risk:

- Take out insurance
- Work with another party to reduce the risk; or
- Manage the risk yourself.

Further information can be found in 'Governance and Accountability in Local Councils in England– A Practitioners' Guide' published by SLCC and NALC in 2008.

The following risk assessment was considered by the Council at its meeting of 4th March 2014 and will be reviewed as necessary		
Signature of Chairman the Parish Council		Date: 7th March 2014

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Area	Risk	Level	Control (and agreed improvements)
ASSETS	Protection of physical assets	L	Insured under the council's insurance policy. Extremely limited assets. RPI increases as laid down by the insurers
	Security of buildings, equipment etc	n/a	None
	Maintenance of buildings etc	n/a	none
FINANCE	Banking	M	All invested sums with UK bank
loss of income	Investment income	L	very small amount coming from interest
	Cash handling	L	Minimal cash handling
	Allotments & Land	L	Register maintained, updated and reconciled to bank accounts
	Loss of cash through dishonesty	v.L	Absolute minimum cash, 2 cheque signatories
	Financial controls and records	M	Reconciliation of accounts and bank balances regularly reported to council. Two signatories on cheques. Cheque stubs initialled. Internal and external audits carried out and internal control checks frequently carried out
	Comply with HMRC regulations	L	The council is registered with HMRC as an employer. Monthly RTIs submitted and PAYE deductions paid quarterly.
Precept	Not submitted	L	Diarise and liaise with ENC (minimal risk as ENC need figures for budgets and send out timely requests)
	Not received	L	Confirm receipt at meeting and diarise
	Sound budgeting to underlie annual precept	L	Budgetary preparation in autumn, prior to final agreement of the precept.
	Reserves – ensuring adequacy of general and earmarked reserves	L	Reviewed at budget meetings
	Complying with borrowing restrictions	L	None at present
	VAT reclaimed correctly	L	Diarised by RFO and reported. Check at audit
LIABILITY	Risk to third party, property or individuals	L	Insurances in place.

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RISK ASSESSMENT (CONTD/.....)

	Legal liability as consequence of asset ownership	Very Low	Insurance in place..
EMPLOYMENT ISSUES	Comply with Employment Law	L	Yes. Full contract in place
	Comply with Inland Revenue requirements	L	Registered as an employer
	Safety of Staff and visitors	M	Clerk is home based and lone worker. Clerk is not expected to meet with people alone. Visitors do not visit clerk's home. <i>No H&S checks carried out</i>
	Loss of clerk	L	Most records kept electronically as well as in paper form and stored on cloud based storage and backed up.
LEGAL LIABILITY	Liability Ensuring activities are within legal powers	M	Clerk clarifies legal position on any new proposal. Legal advice to be sought where necessary. The council is a member of Northants Association of local councils, giving access to NEC legal services. The clerk is a member of the Society of Local Council Clerks, also a valuable source of advice and information.
	Proper and timely reporting via the minutes	M	Council meets bimonthly and receives minutes of meetings held in interim, for approval at the next meeting. Minutes checked by members for accuracy Minutes made available to press and public via the web site.
	Proper document control & safeguarding	L	Clerk backs up data regularly both to disk and to remote server.
	Freedom of Information	L	Model scheme published.
COUNCILLOR PROPRIETY	Registers of interest and gifts and hospitality in place	M	Register of interests completed. Gifts and hospitality to be advised at each meeting. Declarations of interest to be declared at each meeting
	Libel and slander	L	Insurance arrangements in place

Prepared by: Sarah Rodger
Clerk and RFO
10 December 2013