

OUSBY PARISH COUNCIL

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RISK MANAGEMENT POLICY STATEMENT & RISK ASSESSMENT of OUSBY PARISH COUNCIL

Document history

Notes of changes in updated versions	Version No.	Date of approval and adoption
Risk policy statement & risk assessment as initially approved and adopted	1.0	1 May 2013
Risk policy statement & risk assessment as reviewed	1.0	4 February 2014
Risk policy statement & risk assessment reviewed to include Data Protection Act 1998 details	2.0	20 May 2015
Risk policy statement & risk assessment adopted with added Data Protection Act 1998 details (minute C/7/9/15)	2.0	2 Sept 2015
Risk policy statement & risk assessment reviewed to include workplace pension details & adopted (minute C/11/2/16)	3.0	3 February 2016
Revised – Change of Clerk - contact details	4.0	10 May 2017

**THIS RISK MANAGEMENT POLICY STATEMENT & RISK ASSESSMENT IS PUBLISHED
AS APPROVED AND ADOPTED BY OUSBY PARISH COUNCIL ON 10 MAY 2017**

Ousby Parish Council

Risk Management Policy Statement and Risk Assessment

Ousby Parish Council – Risk Management Policy Statement

Definition of Risk Management

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.

Risk Policy Statement

Ousby Parish Council recognises that it has a responsibility to manage risks effectively in order to protect its members, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

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 focussed approach to managing risk.

Approach to Risk Management

The council's approach to risk management requires that all risks should be systematically identified and managed in the most cost effective manner within overall resources available.

Each risk identified by the council is recorded in the council's risk assessment. The impact is assessed, appropriate control measures are put in place and the frequency with which the risk should be reviewed is determined.

Responsibility for Risk Management

The council recognises that it is the responsibility of all councillors and the clerk as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to front line service provision and to the meeting of the council's objectives and community needs.

This policy has the full support of the council which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community.

The co-operation and commitment of all members and clerk as an employee is required to ensure that council resources are not wasted as a result of uncontrolled risk.

The council is responsible for ensuring that this procedure is adhered to.

This Policy and Risk Assessment is reviewed annually in May

Ousby Parish Council Risk Assessment

FINANCIAL AND GOVERNANCE				
Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Precept	Adequacy of precept	L	To determine the precept amount required, the Parish Council receives monthly budget update information. The precept requirement is assessed at a budget meeting in November	Existing procedure adequate
	Requirements not submitted to District Council	L	EDC requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to the District Council. Clerk keeps record of precept request.	Existing procedure adequate
	Precept not received	L	EDC is a 'low risk' authority, having strong financial systems and good reserves. Precept receipt is monitored by Clerk who informs Council when the precept is received at the relevant meeting.	Existing procedure adequate
Budgeting	Budget not prepared for next financial year	L	With information on the previous budget and actual spend against budget heads, the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. Budget and precept setting are timetabled for meeting agenda in November/December	Existing procedure adequate
Financial Records	Inadequate records	L	The Council has Financial Regulations which set out the requirements. These Financial Regulations are reviewed annually in February	Existing procedure adequate.
	Financial irregularities/Internal controls	L	The accounts are audited by an independent person each year. During the year financial reports are produced for each parish council meeting by the Responsible Financial Officer (clerk). Cheque signatories are separate from the person raising the cheque	Review the adequacy of internal audit and financial controls annually

Bank and Banking	Inadequate checks Bank mistakes Loss Charges	L L L L	The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. Any bank errors are discovered when the Clerk reconciles the bank accounts once a month when the statements arrive, these are dealt with immediately by informing the bank and awaiting their correction.	Existing procedure adequate. Review the Financial Regulations when necessary and bank signatory list when necessary, especially after an Annual Meeting, election and change of Clerk. Monitor the bank statements monthly. One designated Councillor from each ward is to check and sign the bank statement each month
Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations which set out the requirements. Minimal cash received. There is no petty cash or float held by the Responsible Financial Officer (clerk).	Existing procedure adequate. Review the Financial Regulations as necessary.
Reporting and Auditing	Information communication	L	A monitoring statement is produced regularly before each Council meeting with the agenda, discussed and approved at the meeting. This statement includes, bank balance, budget update, approval of payments and notification of receipts.	Existing communication procedures adequate. Agendas circulated electronically, all Members encouraged to have Email. Mid-year internal audit check in October
All Costs & expenses Debts	Goods not supplied but billed	L	The Council has Financial Regulations which set out the requirements.	Existing procedure adequate.
	Incorrect invoicing	L	Financial regulations set out requirement for Responsible Financial Officer checking for amounts against decisions/quotes etc.	Existing procedure adequate.
	Cheque payable incorrect	L	Councillors check invoice book against the cheque book and associated paperwork. Two signatories on cheques. Council approves the list of requests for payment	Existing procedure adequate.
	Loss of stock	L	The Council has no stock.	Review the Financial Regulations as necessary.
	Unpaid invoices	L	Council Invoices are minimal /rare. Unpaid invoices for Council goods or services are pursued and where possible, payment is obtained in advance.	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 budgeting, approval, are minuted and listed accordingly.	Policy and procedure for awarding of discretionary grants adopted in February 2015 by Ousby Parish Council.

Grants - receivable	Receipts of Grant	L	The Parish Council does not presently receive any regular grants. One-off grants would come with terms and conditions to be satisfied.	Financial Regulations and Standing Orders deal with authorisation for project expenditure and associated grant applications
Charges – rentals receivable	Receipt of rental	L	Example - Easement rents - The Clerk issues an agreement for usage. Both parties sign the agreement and the Parish Council copy is held in Parish Council records. The cheque is received and banked. The Parish Council is notified accordingly.	Existing procedure adequate. Review agreement and payable fees annually according to agreement.
	Insurance implication	M	Grantees arrange own insurance. The PC only insures the land & buildings used according to agreement	Responsible Financial Officer to ensure payment and copy of insurance document received.
Accountability	Work awarded incorrectly	L	The Council has financial regulations which set out requirements for the award of contracts etc	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations.
	Overspend on services/depletion of reserves	M	Responsible Financial Officer to make recommendations on spending according to budget availability.	Members have a duty to consider budget and reserves requirements and operate within them (Financial Regulations sections 2 & 3).
Salaries and associated costs	Salary paid incorrectly Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L L	The Parish Council has one employee. Salary rates are assessed annually by the PC at budget setting and applied on 1 April each year. Salary analysis and slips are produced by external service (Cumbria CVS) monthly together with a schedule of payments to the Inland Revenue (for Tax and NI). The payments are approved at the Council meetings and signed off. The Tax and NI is worked out using an Inland Revenue computer programme. All Tax and NI payments are submitted in the Inland Revenue Annual Return. The Clerk does not keep a time sheet and has a contract of employment and job description.	Existing appointment and payment systems for the sole employee are adequate.

Workplace pension	Lack of adequate provision	L	All employers are subject to the enrolment provisions of the Pensions Act 2008 with effect from July 2016. There are banded salary thresholds for provision obligations. An employee can choose to opt out of participating in a workplace pension scheme.	Clerk will liaise with CALC so that the parish council can monitor any changes to workplace pension legislation and offer a suitable provision or request a dispensation, as required.
Employees	Loss of key personnel/difficulty in retaining Clerk Not enough hours for role	M	Clerk post would be advertised widely, with arrangements to temporarily cover Clerk responsibilities until new Clerk in place	Improve council reputation by good conduct at meetings. Consider specialist training/intervention Review Clerk's terms and conditions, contract of employment (especially hours) if requirements change
	Fraud by staff	L	No cash handled. 2 councillors sign cheques. Bank balances reported monthly, statements available for inspection, checked and signed by two councillors. Fidelity Guarantee included in insurance (£250,000)	Existing procedure adequate.
	Actions undertaken by staff	L	The Responsible Financial Officer (Clerk) should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Council membership of the Cumbria Association of Local Councils and Society of Local Council Clerks Clerk awarded CiLCA qualification 10/11/15 and will continue to attend local network meetings. Monitor insurance as necessary.
Councillor allowances	Councillors over-paid	L	No allowances are allocated to Parish Councillors	No procedure required
Election costs	Risk of an election cost	L	Known elections budgeted for through reserves. By-Elections to be provided from contingency budget	Councillors to monitor budget and reserves throughout the year to ensure adequate funding available.
VAT	Re-claiming/charging	L	The Council has Financial Regulations which set out the requirements. VAT claimed at least every 6 months	Existing procedure adequate

Annual Return	Submit within time limits	L	Annual Return is completed and signed by the Council, submitted to an internal auditor for completion and signing then checked and sent on to the External Auditor within time limit.	Existing procedures adequate
Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council Meetings.	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations.
Minutes/ Agendas/ Notices/ Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements.	Existing procedure adequate.
	Business conduct	L	Business conducted at Council meetings is managed by the Chairperson.	Guidance/training to Chairperson should be given (if required) – available per CALC. Members to adhere to Code of Conduct.
Members interests	Conflict of interest	L	The declaring of interests by members at a meeting reminds Councillors of their duty and should remain on the agenda.	Existing procedure adequate
	Register of Members interests	M	There are criminal penalties now deterring non-completion of Registers or declarations. Councillors received training Dec 2012	Members have a duty to update their individual Register of Interests.
Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal in June) of all insurance arrangements in place. Risk assessments completed as required	Existing procedure adequate
	Cost	L	Employers and Employee liability insurance is a necessity and must be paid for. Financial Regulations set out agreed process and requirements	Review insurance provision annually.
Data protection	Policy Provision	M	Councillors sign Data Protection Act 1998 agreement. Councillors and Clerk adhere to data protection principles and legislation	Data Protection Policy training for Clerk and Councillors provided as necessary

Freedom of Information Act	Policy Provision	M	The Council is open in its provision of information when requested	Model Publication Scheme updated January 2015 and Freedom of Information Act training for Clerk and Councillors provided as necessary.
PHYSICAL RISKS INCLUDING ASSETS AND EQUIPMENT				
Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Assets	Loss or damage	L	Annual review of assets is undertaken for insurance provision.	Clerk to ensure current asset list is provided to insurers. Annual verification and inspection of all equipment carried out by clerk and at least one councillor
	Risk to third parties/property	L	Assets fully insured (£10m) Public Liability. RoSPA annual inspection of play equipment carried out	Existing procedure adequate
Maintenance of assets	Poor performance of assets	L	All assets owned by the PC are reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned and authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually.	All public amenities/land owned by the council to be inspected regularly by councillors who will provide a verbal report, noting any required actions required. Ensure inspections and actions carried out.
Notice boards	Risk/damage/injury to third parties Road side safety	L L	Notice board locations approval by relevant parties, insurance cover. Any repairs/maintenance requirements are brought to the attention of the Parish Council.	Boards to be inspected regularly by the Clerk.
Street furniture	Risk/damage/injury to third parties	L	The Parish Council is responsible for various items (i.e. shelter, seats, etc) around the parish and covered by insurance. No formalised programme of inspections is carried out but all reports of damage or faults are notified to the Council and/or dealt with.	Items should be inspected annually or upon report of disrepair/damage by Clerk or Councillors
Meeting location	Adequacy Health & Safety	L	The Parish Council Meetings are held at Ousby Community Centre and Melmerby Village Hall. The premises and the facilities are considered to be adequate by the Clerk as responsible officer for H&S. Meetings covered by insurance.	Existing locations adequate. Venue Public Liability to be checked from time to time

Council records – paper	Loss through: theft fire damage	L L L	The Parish Council records are stored at the Clerks address. Records include correspondence, minute books and copies, records such as personnel, insurance, salaries etc. Recent materials are in a (metal filing cabinet) and older more historical records in the Archives.	Damage (apart from fire) and theft is unlikely and so provision adequate.
Council records - electronic	Loss through: Theft, fire, damage corruption of computer	LM	The Parish Council's electronic records are stored on the Clerks computer. Back-ups of the files are taken at regular intervals.	Existing procedure adequate

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10 May 2017