

**East Goscote Parish Council
RISK ASSESSMENT POLICY 2023**



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Introduction

Parish Council's should have in place a system to help it manage risk. This system needs to be simple for the smallest parishes and more complex for the larger parish and town councils. A council's internal auditor can use this risk management system to help 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 parish council clerk's will already be assessing and managing risks in some way or other, but there may be room to improve and document existing practices.

Parish council clerks are ultimately responsible for risk management because risks threaten a council's ability to achieve its objectives. They should therefore ensure that they:

- Identify 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 and recreation grounds, in village halls, at burial grounds etc.
- Complying with legal requirements – agendas and minutes, burial records etc.
- Councillor propriety – declarations of interests, gifts and hospitality etc.

The clerk needs to consider each of the possible risks under each of the identified schemes. For example physical 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 minimized 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 judgment about likelihood of the risk occurring and it's 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

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Area	Risk	Level	Control
<u>Assets</u>	Protection of physical assets	L	The Parish Council holds buildings and contents insurance, along with vehicle insurance, with a level of cover applicable to the total current value of all material assets held.
	Security of buildings, equipment etc	M	Door entry system at Council Offices and CCTV covering doors. Contents insured. Regular external back-ups.
	Maintenance of buildings etc	M	Buildings and recreational areas checked on a weekly basis. Planned programme of electrical and safety equipment in place
<u>Finance</u>	Banking	M	Maintain current and deposit accounts with Bank. Regular reconciliation of statements,
	Risk of consequential loss of income	L	Insurance cover. Council not insured to cover loss of income and relocating office (consequential loss). Important documents backed-up, copied, stored off premises.
	Loss of cash through theft or dishonesty	M	Adequate level of fidelity insurance cover with a cover of £250,000.
	Financial controls and records	M	Bank reconciliations and preparation of accounts undertaken monthly by the Responsible Financial Officer (RFO) and reported to Council. Three signatories on cheques, including Clerk to the Council or the RFO. Internal and external audit. Computerised fixed asset register. Expenditure payments approved by the council. Online payments approved by Vice chair and Chair, safeguarding procedures in place.
	Comply with Customs and Excise Regulations	M	Use external advice when necessary. Half yearly VAT returns prepared by the RFO. Internal and external auditor to provide double check. Payroll submitted monthly and at end of year online (RTI)
	Sound budgeting to underlie annual precept	M	All sub-committees and Council receive detailed budgets in the late autumn. Precept derived directly from this. Actual expenditure against budget reported to Council twice per year.
	Complying with borrowing restrictions	L	No new borrowing likely at present
	Legal liability as consequence of asset ownership (playgrounds and parks)	M	Insurance in place. H&S checklist operated at all Council premises. Buildings and recreational areas checked on a weekly basis. Written records kept. Annual checks undertaken by insurers.
<u>Liability</u>	Risk to third party, property or individuals	M	Public Liability insurance cover for £10,000.000

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<u>Employer Liability</u>	Comply with Employment Law	M	Membership of various national and regional bodies including NALC. Staff training undertaken in April 2013, Advice from HMRC and LRALC when needed. Code of conduct advice for members. Employers liability insurance £10,000.000.
	Comply with Inland Revenue requirements	M	Advice as necessary from Inland Revenue and accounts software authors. Internal and external auditors carry out annual review..
	Safety of Staff and visitors	L	CCTV camera and door one-way control system fitted to restrict access to Council Offices. Health and safety policy in force.
	Staff long term absence	M	In the event that members of staff have long term sickness, the council must ensure that adequate staff cover is arranged to ensure that the basic administrative and financial tasks are maintained, as well as maintenance of village assets to ensure the council can continue to function effectively and continue to offer its services.
<u>Legal Liability</u>	Ensuring activities are within legal powers	L	Clerk to the Council clarifies legal position on any new proposal put before the Council. Legal advice to be sought where necessary. Standing orders and financial regulations up to date and fully complied with.
	Proper and timely reporting via the Minutes	M	Full Council meets once a month. Minutes made available to press and public at the Council Offices, the public library and the Council has its own web site where minutes and documents are available.
	Proper document control	M	Key legal documents kept in the Parish Office. PC's in the Parish Office backed up regularly.
<u>Councillor Propriety</u>	Registers of Interests and gifts and hospitality in place	M	Register of interest completed. Gifts and hospitality register is present at each Council meeting.

In March 2020 the Parish Council followed Government guidance regarding COVID 19 a new virus that can affect your lungs and airways.
Council to continue to comply with Government advice regarding use of pavilion/play equipment/tennis etc

This risk management paper was considered by the Council on 5th June 2023 and will be reviewed again in 12 months.

Signed: Signed:

Position: Position:

Date: