

Hyde Parish Council

Risk Assessment

Preamble and 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 the 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 may be 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 playground & 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 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 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.

The following risk assessment was considered by Hyde Parish Council Council at its Parish Meeting of **10th January 2018** and will be reviewed in twelve months time or as necessary. This document identifies the risks faced by the Parish Council and the means currently being taken to minimize and manage these risks.

Signature of Chair

Date: 10/1/18

Area	Risk	Level	Lead Person	Control (and agreed improvements)
Assets	Protection of physical assets	Medium	Clerk	Insured under the councils insurance policy. Asset register accurately maintained and reviewed annually. Register to include insurance values (increased by RPI in line with insurance policy) as well as asset value.
	Security of Buildings, equipment, etc	Medium	Clerk	Overall responsibility with Parish Clerk as most of equipment owned by the Parish is kept at the Clerks house. No property (buildings) are owned by the Parish Council.
	Maintenance of Buildings, land and equipment, etc	Medium	Clerk	Overall responsibility with Parish Councillors and Clerk. No property (buildings) are owned by the Parish Council. Equipment to be appropriately maintained and defects raised with the Clerk as they occur – replacement to be reviewed in October each year. Benches and Noticeboards – regular inspection of both (2 benches and 3 noticeboards) – replaced when damaged or come to end of useful life. Clerk reviews the noticeboards and benches at least monthly.
Finance	Banking	Medium	Clerk	The Council maintains 2 bank accounts, the main account and a savings account. All money received is paid into the main account either by direct transfer (BACS) or by the clerk. All payments are made using cheques drawn on the main account. 4 councillors are signatories and two signatures are required for each cheque. The signatories also initial the counterfoil. Transfers between the two accounts are made on the signed authority of two of the authorised signatories. The Clerk is not a signatory on the account – two Councillors must sign each cheque or order for payment.

				For each payment the clerk completes a payment slip which is initialled by the two signatories of the relevant cheque. This is attached to the invoice, retained and filed. All monies invested with UK bank (Lloyds Bank) and NSI – reviewed annually to ensure meeting needs.
Loss of income	Investment Income	Low	Clerk	No investments held, all funds held as cash (in bank/NSI) – reviewed annually.
	Cash Handling	Low	Clerk	The Parish Council does not operate a system of Petty Cash – payments are paid by cheque only.
	Loss of cash through dishonesty	Low	Clerk	All payments must be approved by the Parish Council and signed by two Councillors – balances and amounts paid appear on the minutes of each meeting.
	Financial controls and records	Low	Clerk	The Council has adopted written financial regulations covering all aspects of its financial responsibilities. These are reviewed annually. A copy is attached to this document for ease of reference. The Clerk is appointed as the Responsible Financial Officer and provided with up-to-date literature and training opportunities on financial matters. Reconciliation of accounts and bank balances are reported each month to Council. All cheque payments and direct debit authorities require two signatories. Cheque stubs are initialled. All payments are reviewed monthly at each Parish Meeting before authorised, unless payment terms dictate otherwise. A list of all cheques signed at every meeting is recorded in the minutes. Balances in the accounts are reported at each meeting. An analysis of income and expenditure against each of the agreed budget headings is presented regularly to councillors by the clerk. A bank reconciliation is also presented regularly. At the end of the financial year a full statement of receipts and payments is prepared by the clerk with comparison to the previous year and bank reconciliation statement. This is presented to councillors at the May meeting and to residents at the Annual Parish Meeting at the end of May. The Council has an internal auditor who carries out an annual audit and presents a report for the Council. He is also available to assist the Council at other times as required. The accounts are audited annually by external auditors appointed by the Audit Commission. VAT is shown separately in the accounts and reclaimed annually. All invoices are retained. Section 137: To ensure correct use of s137 powers, all s137 payments are identified separately in the minutes, the account book and the end of year financial statement. Insurance: The Council reviews its insurance policy annually to ensure that all risks are adequately covered.
	Comply with HMRC regulations	Low	Clerk	HMRC deductions are calculated using software which is RTI compliant. Submissions are made in a timely manner and payments made to HMRC and HCC Pensions on a monthly basis.
Precept	Not submitted	Low	Clerk	Timescales are set externally by NFDC. Clerk to ensure that budgets are set by November, prior to submission.
	Not received	Low	Clerk	Confirm receipt at meeting – issued by NFDC and received twice each year (April and September).
	Sound budgeting to	Low	Clerk	Clerk to prepare recommendations to Council in the autumn prior to final agreement of the budget and

	underlie annual precept			the precept. The Council's budget is produced each year in November and regular reports are made to councillors on current expenditure against each of the budget headings. The annual precept is set on the basis of the budget.
	Reserves – ensuring adequacy of general and earmarked reserves	Low	Clerk	Reviewed annually at budget meetings by the Council (and adjustment to the position reported throughout the year).
	Complying with borrowing restrictions	Low	Clerk	No borrowing at present – reviewed annually.
	VAT reclaimed correctly	Low	Clerk	Clerk to reclaim annually (not VAT registered) and checked by internal auditor.
Liability	Risk to third party, property or individuals	Medium	Clerk	The Council regularly undertakes a visual inspection of the condition of its assets to ensure that its health and safety obligations are being met. [Benches and noticeboards – monthly by the Clerk, bus shelter inspected annually and reported to Council]. Appropriate action is taken to carry out repairs or modifications to minimise any risk of injury to third parties. The Council has insurance cover to enable it to meet any third party liability that it might face if an accident were to occur and the Council found to be in default of its duties. Insurance is reviewed annually (or as required).
	Legal liability as consequence of asset ownership	Medium	Clerk	Insurance in place and reviewed annually.
Employment Issues	Comply with Employment Law	Low	Clerk	Contract is in place and is reviewed annually (1 part-time Clerk). All employment is recorded on RTI compliant software. Employers Liability Insurance is included with main policy (which is reviewed annually).
	Comply with HMRC requirements	Low	Clerk	The Clerk is employed with a contract and payment made using RTI software (no other payments are made to staff). No expenses, other than reimbursement of approved mileage and expenditure, are paid.
	Safety of staff and visitors	Low	Clerk	There are no offices, the Parish Council use the Church Rooms for the monthly meetings and all other meetings take place outside (within the Parish, discussing relevant business) or at Councillors or the Clerks home. The clerk works from home. The Council provides appropriate up-to-date equipment as required and ensures that it is regularly serviced. The Council has a written complaints procedure.
	Loss of clerk and RFO	Low	Clerk	Town Council: All work is stored electronically and in paper form at the Clerks home. <i>A back-up is taken on a regular basis and kept securely.</i>
Legal Liability	Liability ensuring activities	Medium	Clerk	Clerk clarifies the legal position on any new proposal. Legal advice to be sought where necessary.

	are within legal powers			<p>The Council has adopted Standing Orders which are reviewed annually.</p> <p>The Clerk and Members regularly attend training sessions to keep up-to-date on legislation and best practice.</p> <p>The Council has adopted the Local Government Code of Conduct. Members are regularly reminded to up-date the register of interests and at every meeting to declare any interests which they may have in matters on the agenda. All members and the clerk have attended training sessions.</p>
	Proper and timely reporting via the minutes	Medium	Clerk	<p>The Council meet monthly and receives minutes of meetings held in interim, for approval at the next meeting.</p> <p>Minutes are checked by the members for accuracy. They are made available to the press and public via the website – paper copies are available on request.</p>
	Proper document control and safeguarding	Low	Clerk	Paper and electronic copies are held at the Clerks home.
Councillor Propriety	Register of interest and gifts and hospitality in place	Medium	Clerk	Register of interests completed after each appointment. Gifts and hospitality to be advised at each meeting. Declarations of interest to be made at each meeting and recorded. <i>Councillors conversant with the Nolan principles of public life and obligated to adhere to the council's code of conduct.</i>
	Libel and slander	Low	Clerk	Insurance arrangements in place

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For review: January 2019 (or as legislation requires)