

# **MILLOM WITHOUT PARISH COUNCIL**

# **RISK REGISTAR AND RISK ASSESSMENT**

**Risk Assessment Version 3 – April 2019**

**MILLOM WITHOUT PARISH COUNCIL – RISK REGISTER AND RISK ASSESSMENT**

**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.

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is aware that although some risks can never be eliminated fully, it has in place a strategy that provides a structured, systematic and focuses approach to managing risk, which:

- Identifies the subject
- Identifies what the risk may be
- Identifies the level of risk
- Evaluates the management and control of the risk and records findings
- Reviews, assesses and revises procedures if required.

**FINANCIAL AND MANAGEMENT**

| <b>Subject</b>      | <b>Risk(s) /Identified</b>  | <b>H/M/L</b> | <b>Management/Control of Risk</b>   | <b>Review/Assess/Revise</b> |
|---------------------|---|--------------|---|-----------------------------|
| Business Continuity | Risk of Council not being able to continue its business due to an unexpected or tragic circumstance | L            | The Council is not responsible for any vital services   | Review plan when necessary  |
| Precept             | Adequacy of precept<br>Requirements not submitted to CBC<br>Amount not received by CBC              | L<br>L<br>L  | Once a year the Council receives a budget up-date report. Based upon this it sets the precept requirements for the coming year which are then submitted to CBC. | Existing procedure adequate |

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|  |  |                           | The Clerk/RFO or designated Councillor would check CBC has received communication.   |  |
| Financial Records                          | Inadequate records<br>Financial Irregularities   | L<br>L                    | The Council has Financial Regulations, which set out the requirements.   | Existing procedure adequate. Review the Financial Regulations when necessary.  |
| Bank & Banking                             | Inadequate checks<br>Bank Mistakes<br>Loss<br>Charges  | L<br>L<br>L<br>L          | The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts<br>The Clerk reconciles the bank accounts when the statements arrive, this is checked by a Councillor               | Existing procedure adequate. Review the Financial Regulations when necessary and bank signatory list when necessary, especially after an AGM and an election. Monitor the bank statements quarterly. |
| Cash                                       | Loss through theft or dishonesty   | L                         | The Council has Financial Regulations which set out the requirements. Cash is very rarely received. There is no petty cash or float held.  | Existing procedure adequate. Review the Financial Regulations when necessary.  |
| Reporting and Auditing                     | Information/communication<br>Compliance  | L<br>M                    | A monitoring statement is produced when necessary<br><br>The Council audits as necessary to comply with to comply with Fidelity Guarantee  | Existing communication procedures adequate.<br>Council annually to appoint a Councillor Auditor for Fidelity compliance  |
| Direct costs<br>Overhead expenses<br>Debts | Goods not supplied but billed<br><br>Incorrect invoicing<br>Cheque payable incorrect<br>Unpaid invoices<br><br>Loss of stock | L<br><br>L<br>L<br>L<br>L | The Council has Financial Regulations, which set out the requirements.<br><br>At each Council meeting the list of invoices awaiting approval is reported to Councillors and considered.<br>Council approves the list of requests for payment | Existing procedure adequate. Review the Financial Regulations when necessary.  |

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|                              |   |   | The Council maintains no stock of any kind, other than the small amount of clerical supplies sufficient for the Clerk's duties.   |   |
| Grants & Support Payable     | Power to Pay<br>Authorisation of Council to Pay | L | All such expenditure goes through the required Council process of approval, minuted and listed accordingly if a payment is made using the S137 power of expenditure.  | Existing procedure adequate. Parish Councillors request a S137 rules if required. |
| Grants Received              | Receipts of Grants                              | L | The Parish Council does not presently receive any regular grants. One-off grants would come with terms and conditions to be satisfied.  | Procedure would need to be formed, if required.                                   |
| Charges – Rentals Payable    | Payments of charges, leases, rentals            | L | The Council has no rented property  | Existing procedure adequate.  |
| Charges – Rentals Receivable | Receipt of rental                               | L | The council has leased 3 garage plots located at the Pinnel Hole, The Green. Invoices created and paid annually in advance.   | Existing procedure adequate. Review agreement and fees annually.                  |
|                              | Insurance implication                           | M | Insurance paid annually   | Ensure payment and copy of insurance document received if appropriate.            |
| Best Value Accountability    | Work awarded incorrectly                        | L | Parish Council practice would be to seek, if possible, more than one quotation for any substantial work required to be undertaken or goods. For major contract services, formal competitive tenders would be sought. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council. | Existing procedure adequate. Include when reviewing Financial Regulations.        |
|                              | Overspend on services                           | M |   |   |

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| Salaries & Assoc. Costs | Salary paid incorrectly<br>Wrong hours paid<br>Wrong rate paid<br>False employee<br>Wrong deductions of NI or Tax<br>Unpaid NI or Tax contributions to the Inland Revenue | L<br>L<br>L<br>L<br>L<br>L | <p>The Parish Council authorises the appointment of all employees through full council meeting</p> <p>Salary rates are assessed annually by the full council and applied on 1 April each year.</p> <p>Salary analysis and slips are produced by the Clerk quarterly together with a schedule of payments to the Inland Revenue (for Tax &amp; NI). These are inspected at the Council meetings and signed off. The Tax and NI payments are worked out using an Inland Revenue computer programme updated annually. All Tax &amp; NI payments are submitted in the Inland Revenue Annual Return.</p> <p>There are no employees other than a part-time Clerk.</p> | Existing appointment and payment system is adequate.   |
| Employees               | Loss of key personnel<br><br>Fraud by Staff<br><br>Actions undertaken by staff<br>Health and Safety   | L<br><br>L<br><br>L<br>L   | <p>In the absence of the clerk a temporary appointment would be made.</p> <p>The requirements of the Fidelity Guarantee Insurance to be adhered to with regards to fraud.</p> <p>The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.</p> <p>Note: The Council could function without a Clerk for a short period.</p>  | Existing procedure adequate.<br>Purchase revised books<br>Council member of SLCC<br>Monitor working conditions, safety requirements and insurance regularly. |
| Councillor Allowances   | Councillors overpaid  | Negative                   | No allowances are allocated to Parish councillors   | No procedure required  |

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| Election Costs                              | Risk of an election cost     |   | Risk is higher in an election year. When an election is due the Clerk will obtain an estimate of costs from the Borough Council for a full election and an uncontested election. There are no measures, which can be adopted to minimise the risk of having a contested election, as this is a democratic process and should not be stifled. | Existing procedure adequate  |
| VAT   | Re-claiming/charging         | L | The Council is registered for VAT. The Vat is reclaimed once only, after the end of each Financial Year 31 <sup>st</sup> March. This is the responsibility of the RFO/Clerk  | Existing procedure adequate.   |
| Annual Return                               | Submit within time limits    | L | The annual return must be agreed at a Council meeting and duly signed by the Chairman and RFO/Clerk. The return must be submitted by the time given by the Audit Office.   | Existing procedure 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 a Full Parish Council Meeting.   | As 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. Guidance/training to Chair should be given (if required). |
|   | Business Conduct             | L | The Chair should manage business conducted at Council meetings.  | Members to adhere to Code of Conduct.  |

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| Members Interests      | Conflict of interest         | L   | Although not a requirement, the declaring of interests by members at a meeting should be an obvious process to remind Councillors of their duty and should remain on the agenda.   | Existing procedure adequate.  |
|                        | Register of Members Interest | M   | Councillors should review their register of Members Interest Forms regularly.  | Members take responsibility to update their Register.   |
| Insurance              | Adequacy                     | L   | An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place. Ensure Fidelity checks are in place.   | Existing procedure adequate. Review insurance provision annually. Review of compliance.   |
|                        | Cost                         | L   |  |   |
|                        | Compliance                   | L   |  |   |
|                        | Fidelity Guarantee           | M   |  |   |
| Data Protection        | Policy Provision             | L   | The Council only keeps the names, addresses and interests of members<br><b>A Data Protection Policy is in place.</b>   | <b>The Council is registered with the Information Commissioner's office and complies with current Data Protection legislation</b> |
| Freedom of Information | Policy Provision             | L/M | The Clerk is aware that if a substantial request arrives that this may require considerable additional work. The Council is able to request a fee if the work will take more than 15-hours, but the applicant also has the right to re-submit the request broken down into sections, thus negating the payment of a fee.<br><b>A freedom of Information Policy is in place along with procedures for dealing with requests</b> | Monitor and report any impacts of requests made under the Freedom of Information Act.   |

## PHYSICAL EQUIPMENT OR AREAS

| Subject  | Risk(s) /Identified   | H/M/L       | Management/Control of Risk  | Review/Assess/Revise  |
|--|---|-------------|---|---|
| Assets   | Loss or damage<br>Risk/damage to third party(ies)/property  | L<br>L      | An annual review of assets is undertaken for insurance purposes   | Existing procedure adequate   |
| Maintenance  | Poor performance of assets or amenities<br>Loss of income or performance<br>Risk to third parties | L<br>L<br>L | The Council has a number of assets which are recorded on the Register of Assets and reviewed and updated annually The condition of which is under constant review and periodic maintenance.<br>All public amenity land is inspected regularly by parish employees (i.e. the Pinnel Hole). | Existing procedure adequate.<br>Ensure inspections are carried out regularly. |
| Notice Boards  | Risk/Damage/Injury to third parties<br>Road side safety   | L<br>L      | The Parish Council have two notice boards. All locations have approval by relevant parties. The Clerk inspects these regularly and necessary repairs are attended to after requirements brought to the attention of the Parish Council.   | Existing procedure adequate.  |
| Street Furniture<br>Seats<br>Planters<br>Street lights | Risk/damage to third parties  | L           | The Parish Council has a number of public seats and planters around the Parish. These are inspected on a quarterly basis and any repairs required reported to the Council   | Existing procedure adequate.  |
| Meeting Locations                                      | Adequacy  | L           | The Parish Council meetings are held at   | Existing locations adequate.  |

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|                              | Health & Safety  | M           | The Hill and Thwaites Village Halls. The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health and Safety and comfort aspects.  |   |
| Council Records – paper      | Loss through theft,<br>Fire,<br>Damage                         | L<br>M<br>L | The Parish Council records are stored at the home of the Clerk. Records include historical correspondence, minute books and copies, leases for land or property, records such as personnel, insurance, salaries etc. Recent materials are in a metal filing cabinet (not fire proof) and older more historical records in separate filing cabinet. | Damage (apart from fire) and theft is unlikely and so provision adequate. Deeds/leases copied and deposited off-site.<br><br>To monitor storage problem with a view to sending historical items to the Local Archives Department. |
| Council Records – electronic | Loss through:<br>Theft, fire damage, corruption<br>of computer | L/M         | The Parish Council's electronic records are stored on the Clerk's computer. Back ups of the files are taken at regular intervals.  | Currently files are backed up automatically onto Google Drive<br><b>Files are also backed up onto an external hard drive</b>  |

The above Risk Assessment was approved at the Meeting of Millom without Parish Council on:.

Changes to previous risk assessment is identified in red

**Approved by Millom without Parish Council at its meeting on .**

**Signed: ..... Chairman**