



RISK MANAGEMENT POLICY AND FINANCIAL AND GOVERNANCE RISK REGISTER

What is Risk Management?

Risk is a threat that an event or action will adversely affect the council's ability to achieve its objectives, implement its strategies and provide its services.

Risk management is the process by which risks are identified, evaluated, addressed and reviewed. The council recognises that it has a responsibility to take all reasonable and practical measures to safeguard its employees, the people it works with and provides services for; and to protect the natural and built environments for which it is responsible.

The council is aware that some risks cannot be eliminated fully and has in place a strategy that provides a structured, systematic and focused approach to managing risk and including where necessary, the introduction of internal controls and/or appropriate use of insurance cover.

Objectives

The objectives of the risk management policy are to:

- Integrate risk management into the culture of the council
- Manage risk in accordance with best practice and legislative requirements
- Minimise loss, disruption, injury and damages
- Inform policy and operational decisions by identifying risks and their likely impact
- Raise awareness of the need for risk management

These objectives will be achieved by:

- Identification of risk
- Undertaking risk assessments
- Managing the risk and recording actions
- Incorporating risk management considerations into council processes
- Providing appropriate training

- Establishing clear roles, responsibilities and reporting lines
- Effective communication with, and active involvement of, employees

Risk Register

The risk register enables the parish council to assess the risks that it faces and confirm that it has taken appropriate steps to manage those risks.

The risks are identified, described and evaluated according to the potential consequence of the risk occurring (impact) and how likely this is (likelihood) i.e. high, medium or low risk. The response to risk may involve one or more of the following responses:

- Tolerate the risk – for the risks where the downside is containable with appropriate contingency plans or if the controls cannot be justified (e.g. because they would be disproportionate, and for unavoidable risks, e.g. terrorism.
- Treat the risk – by imposing controls so that the parish council can continue to operate; or by setting up prevention techniques
- Transfer the risk – by buying a service from a specialist external body or taking out insurance
- Terminate the activity giving rise to the risk (or not start) which involve intolerable tasks or those where no response can bring the risk to a tolerable level.

| Area | Risk | Level | Controls <i>(and agreed improvements)</i> |
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| Assets | Protection of physical assets Loss or damage Risk/damage to third party | L | Insurance reviewed annually. Ensure appropriate action is taken to cover new risks arising. Parish Council assets are reviewed regularly. Ensure that insurance is adequate for land and buildings acquired. Annual review of assets is undertaken. Valuation of BMCC has been undertaken for insurance purposes. |
| | Security of buildings, equipment etc | M | Office space has its own locking door and filing cabinets within are lockable. Keys for the office are held by the Clerk, Community Projects Officer and the Chairman. The library itself has an alarm system. Laptops are kept by staff. Cloud back up is now also in place and automatically backs up. BMCC has CCTV installed and a working alarm system. Perimeter of the centre is secure and checked regularly, barrier across the car park is locked after the final booking of the day. |
| | Maintenance of buildings etc | M | A maintenance officer is employed for BMCC and the surrounding area. Planned programme of maintenance of electrical, gas and safety equipment (fire extinguishers etc.) routinely by contractors. Building and asbestos surveys carried out at BMCC 2018 – building survey has raised some issues to be attended to within a 5-year programme. Regular litter picks carried out at BMCC and MUGA |
| | Street furniture - bus shelters and benches | L | Periodic maintenance inspection and cleaning and maintenance carried out on an ad hoc basis. Insurance cover in place and annually reviewed. All assets included on asset register. |
| | Play equipment and MUGA | M | Transfer of assets means that the parish council is now responsible for play equipment at Blacky More open space, Penvale Park and Grangewood Park. Items have been valued for insurance purposes and added to the asset register. |

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| | | | Recent inspection reports obtained from transferring authority. Inspections will need to be undertaken on a regular basis, and yearly inspections carried out by RoSPA approved organisation. Reserves are available for emergency repairs. |
| | Noticeboards | M | Noticeboards are checked regularly for signs of wear and tear. Risk of damage. The parish council has 3 noticeboards – Penvale Road, Butts Road, and Tesco. |
| | Land and buildings | M | Blacky More Community Centre and Blacky More Open Space, Grangewood Park and Penvale Park transferred to the parish council on 31 st March 2021. These have been added to the insurance and adequate cover is in place. Need to ensure land is registered with the parish council as owner and steps taken to protect as Public Open Space. |
| | Trees | H | Yearly tree survey and risk assessment carried out by tree expert. The Council work closely with WNC contractors to ensure that any immediate works are carried out. A specialist tree surgeon has been engaged to work on behalf of the Council and carry out works that WNC are unwilling to do. |
| Financial | Precept –not submitted | L | Budget and precept agreed by full council. Minutes record the resolution. Precept form received from NBC for completion. |
| | Precept – not paid | L | Clerk will chase. Need to be aware that WNC are paying 1 st half of the precept at the end of April – consider budget for 13 months |
| | Adequacy of precept | M | Council regularly receives detailed budget information, and budget vs actuals information. Budget covers all elements to ensure adequate precept calculations. Committees are expected to set their own budget for inclusion within the full budget. |
| | Annual Return | L | Must be submitted within time limits. Year end carried out promptly and return submitted electronically. Annual Return prepared in accordance with proper practices (JPAG Practitioners Guide for relevant year). |
| | Financial records – inadequate records | L L | Financial Regulations are reviewed annually and set out requirements for keeping records. |

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| | Financial records – financial irregularities Banking | L | Financial system in use (Rialtas) is very detailed and able to provide suitable reports for council to review the financial position on a regular basis. Internal Controls Councillor is appointed annually and carries out a review on a quarterly basis. Bank reconciliations are carried out monthly. |
| | VAT | L | Returns are made quarterly with information directly generated from the accounts system. Council is registered for Making Tax Digital returns. |
| | Income from bookings | L | Regular hirers are invoiced monthly or termly depending on group. Statements are produced and outstanding invoices chased as necessary. Refunds are given in exceptional circumstances – Covid for example. |
| | Loss of cash through theft or dishonesty | M | Cash donations are taken for Seniors Club events only and banked at regular intervals. Receipts are issued and records kept for events. If cash is not collected by the Clerk (or another Parish Council employee), it should be delivered to the Clerk as soon as possible so that it is held securely until deposited at the bank. All cash is banked intact. Insurance cover in place. |
| | Banking | M | Receipts are made straight into the bank account or by cheque. Cheques are deposited as soon as practicable. Cash is taken for Seniors Club events only and is deposited in person as soon as possible. For safety and security deposits are not made on a regular schedule and cash is not held on the person. Arrangements are in place to allow banking at local facilities for each and accessibility. |
| | Risk of consequential loss of income | M | Insurance cover. Important documents backed-up and taken off premises. Cloud back up now in place. |
| | Reporting and auditing | L | Financial information provided to the Resources Committee and Full Council meetings on a regular basis. Internal audit reports are presented to council and published on the council website. |
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| | Financial controls and records | L | Monthly reconciliation and financial information prepared by the Clerk and reported to Council. Two signatories on cheques and for authorising bank transfer payments. Internal and external audit. Internal Controls Councillor appointed annually. |
| | Comply with HMRC Regulations | L | Use help line when necessary. VAT payments and claims calculated by Clerk and picked up during the Internal Controls procedure. Claims made quarterly. Registered for VAT. Payroll provider ensures that all payroll obligations are met. |
| | Complying with borrowing restrictions | L | Council does not have any borrowing liabilities. |
| | Grants given | M | Power to pay and agreement of the council should be minuted. Clerk to check conditions are met. Follow up report to council and organisations in receipt of funding are asked to present at the Annual Parish Meeting. Grants Liaison Councillor role created to follow up on grants given. |
| | Grants/funding applied for | M | Grants applied for where criteria is met. Bank statements are checked on a regular basis for income received. Grants received should be accounted for using the correct code. Financial Regulations in place. If grants are not received they are followed up by the Clerk. |
| | Salaries Wrong salary paid Wrong rate of pay Wrong deductions | M | Check to contracts/timesheets to ensure correct salary/hours/pay rate and deductions. Salary payments set up as standing orders to ensure payments are made on time. PAYE and NI obligations are met through payroll. Payroll company engaged. |
| | Pensions | M | Auto enrolment obligations are in place. The council has opted to auto enrol into the LGPS scheme. Check to salaries to ensure employees are auto enrolled when obligation arises. i-Connect is used to report pensions contributions on a monthly basis. The Northamptonshire Pensions website is used to obtain up to date information. |

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| | | | Clerk will contact the Pensions Team for any queries regarding pensions. |
| | Reserves | L | General and earmarked reserves considered when the budget is set. Reserves policy in place. General reserves are kept at a reasonable level. |
| | Loss of income due to global crisis | M | Income will be lost from hire of Blacky More Community Centre, but general reserves are at suitable levels to cushion the impact of this. No concerns regarding precept. |
| Liability | Risk to third party, property or individuals | M | Insurance in place. Open spaces checked regularly. Damage to trees and open spaces reported to West Northants Council. Risk assessments of individual events carried out as necessary. |
| | Legal liability as consequence of asset ownership | M | Insurance in place. Regular asset checks and risk assessment carried out. |
| | Fraud | L | Procedures in place for dealing with money and Financial Regulations adhered to. Relevant documents provided to staff and councillors. Insurance in place. |
| | Potential for claim against the council | M | Insurance cover in operation, and any claims forwarded to insurers in the first instance. Checks to ensure that any claim has been made to the correct authority. Regular checks made of assets. |
| Insurance | Adequacy Cost Compliance Fidelity Guarantee | L L L M | An annual review of insurance arrangements and requirements is undertaken. Quotes are sought from three insurance providers on like for like policies. Compliance measures in place. |
| Employer Liability | Comply with Employment Law | M | Membership of NCALC and SLCC. Payroll provider sends regular information regarding minimum/living wage. Clerk is member of SLCC Advisory Group |
| | Comply with HMRC requirements | M | Payments for Tax and NI made on time. |
| | Safety of staff and visitors | M | Parish office can be locked. Staff do not work in the parish office when the Library is closed. |

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| | | | <p>BMCC has CCTV installed. Fire exits are checked before each booking. First aid equipment on site and COSHH information available and regularly checked and updated.</p> <p>Fire procedures and risk assessments in place.</p> <p>Covid-19 –parish office and library measures are in place to ensure cleaning is undertaken on a regular basis, hand washing facilities are available and PPE if required.</p> <p>Health and Safety policy in place and staff provided with adequate direction and equipment needed to undertake their roles.</p> <p>Dynamic risk assessments undertaken by staff where necessary. Risk assessments in place for scheduled jobs.</p> |
| | Staff | M | <p>Four staff are employed by the Council. Complaints should be notified to the Clerk who will deal with any issues as appropriate. Issues that need to be addressed further will be notified to the Personnel Panel/Resources Committee.</p> |
| | Salaries | L | <p>Salaries are paid promptly. Any errors are picked up quickly between the Clerk and payroll provider.</p> <p>Financial controls in place.</p> |
| Legal Liability | Ensuring activities are within legal powers | M | <p>Clerk to clarify legal position on any new proposal. Legal advice to be sought where necessary. CiLCA trained Clerk/RFO – regular training undertaken. The Council have adopted the General Power of Competence.</p> |
| | Meeting requirements of agenda | M | <p>Agenda is published three clear days before the meeting date on noticeboards and website. Most councillors have signed a declaration to receive summons by email. Hard copies are sent to those who prefer.</p> |
| | Proper and timely reporting via the Minutes | M | <p>Council meets monthly and receives and approves Minutes of meetings. Minutes made available to press and public via the web site.</p> |
| | Proper document control | M | <p>Other data storage complies with the Data Protection Act.</p> <p>Legal documents held by the Clerk in lockable storage.</p> <p>Electronic documents stored on cloud.</p> <p>Approved documents reference minute number and date adopted</p> |

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| Governance and Management | Lack of forward planning and prioritisation; insufficient funds to cover spend | L | Budget in operation and regularly reviewed Ear marked reserves in place Funding opportunities used. |
| | Poor quality decision making Council being ill informed | L | Timely and accurate financial reporting. Clear instructions to staff. Any issues raised promptly. |
| | Failure to keep proper financial records in accordance with statutory requirements | L | Proper arrangements for notification of income and expenditure. Approval of expenditure. Review of internal control annually. Internal Control councillor appointed annually. Internal auditor |
| | Failure to respond to electors' rights of inspection | L | Loss of confidence and reputation. Electors' rights acknowledged at the Annual Meeting, and proper procedure in place for inspection. Publication Scheme adopted. |
| Council | Registers of Interests | M | Register of interests completed and held by the Clerk. Register of Interest are displayed via link to principal authority website. Councillors should complete a new register of interests where circumstances change. Declarations of Interest made by members at meetings where appropriate. Member's responsibility to update register where change in circumstances warrants it. |
| | Failure to comply with the Code of Conduct | M | Ensure all councillors are aware of their obligations under the Code of Conduct. Training to be undertaken if necessary. Conduct at meetings is managed by the Chairman. |
| | Election costs | M | Ear marked reserves for election costs but estimate only given by WNC. True cost of any election will not be known until it happens. |
| | Failure to meet statutory duty | L | Ensure all members are notified of meeting by summons and agenda. Public notices posted in due time. Ensure meetings are quorate and maintain attendance records. |
| | Meeting location | L | Meetings must be held in a venue suitable for members, the clerk, other staff members and members of the public. |

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| | | | Current restrictions mean that Blacky More Community Centre is not suitable for socially distanced meeting. Need to bear this in mind for future meetings. |
| | Lawful meetings | L | There has been no extension of the regulations to allow meeting virtually. Meetings held after 7 th May must be face to face or will be unlawful. Council will need to consider the implications of this going forward including hire of venues where necessary. |
| | Accuracy and legality of statutory documents/agendas/minutes etc. | L | Agenda and minutes produced in accordance with best practice and relevant guidance. Minutes are approved and signed at the next council/committee meeting. Agenda displayed in accordance with legal requirements. Model documents used where available and amended to ensure relevance to the parish council. |
| | Records – paper | L | Risk of loss through theft/fire/damage/loss Copies of paper records stored at the parish office in lockable cabinets – offices are locked when not in use. Records include historical minutes, financial records, correspondence etc. |
| | Records – electronic | L | All electronic documents are stored on the cloud which is backed up regularly. IT maintenance contract in place to assist with any major loss of documentation. |
| | Training | L | All councillors are offered “Off to a Flying Start” training with NCALC when they are first elected/co-opted. Councillors are notified of available training courses and encouraged to take advantage of these – a training record is held by the Clerk. The Development Programme by NCALC will be offered to all councillors. A Training Statement of Intent has been agreed by the Council. Training budget is in place. |
| | Use of social media/interviews etc. | M | All councillors have a copy of the Code of Conduct and the Social Media and Media Policies in place. Councillors should use social media appropriately and should not purport to be expressing the views of the parish council on a personal level. The Code of Conduct should be considered at all times. |

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| | Data protection | L | Data protection laws are adhered to. |
| | Freedom of Information | L | Publication Scheme is adopted and available. No FOI requests have been received by the council since Jan 2019. Registered with ICO. |
| | General Power of Competence | L | Ability to exercise the GPC must be reviewed – currently have 2/3 elected members and qualified Clerk. GPC can be resolved at a relevant (after Ordinary Election) Annual Meeting. |

This document will be reviewed annually at the Annual Meeting of the Council and more often if required.