

Killamarsh Parish Council

KPC 06 Corporate Risk Assessment Policy & Register

| DETAILS OF POLICY | |
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| Policy No | KPC 06 |
| Policy Title | Corporate Risk Assessment Policy & Register |
| Committee/Working Party Responsible | Finance Committee / Full Parish Council |
| Last Reviewed | 29 th April 2024 |
| Next Review Date | April 2025 |

The Policy

1. Scope of Policy

To involve members in the ownership and accountability for corporate success and appropriate management of the associated risks.

2. Definition of Risk

An uncertainty of outcome of actions or events which impacts upon the Council achieving its objectives.

3. Policy

3.1. The Council is committed to good risk management, allowing it to:

- a) have increased confidence in achieving its objectives;
- b) constrain threats to acceptable levels (i.e. within its risk appetite);
- c) take informed decisions about exploiting opportunities; and
- d) assist the Parish Clerk in completing the annual governance statement.

3.2. The Council recognises that in order to achieve its objectives it must manage risk within its risk appetite. Where risks lie beyond the risk appetite, members and the Clerk will take appropriate action to reduce those risks. A schedule of corporate risks will be maintained in a corporate risk assessment for review and approval by members.

3.3. In addition to corporate risk, members and the Clerk have a responsibility to assess and appropriately manage risk as part of the evaluation of project proposals, business cases and grant applications. The Clerk will include the detailed outcome of project and business case risk assessment in any Council agenda item that considers major financial investment. Responsibility for assessing and managing Health and Safety risks associated with Council activity and events will be managed by the Clerk with methods of safe working communicated to and adhered by members and contractors.

3.4. The Clerk and members are responsible for assessing and managing risk as an integral part of their day-to-day role in ensuring the Council's objectives are met, recognising that all risk categories must be considered, including reputation, health and safety and financial risk. Where risks are identified which have the potential to impact upon the Council's objectives, these will be referred to the Clerk for consideration for inclusion in the corporate risk assessment.

3.5. Members are required to at least annually review this risk assessment policy and the corporate risk assessment. This will include:

- a) reviewing the risk assessment rating criteria, risk appetite and approaches to managing risk;
- b) identifying and updating the schedule of risks;
- c) evaluating the likelihood and potential impact to the Council of each risk materialising;
- d) deciding upon measures to avoid, reduce or control each risk, as appropriate; and
- e) recording the decisions reached.

4. Organisational Arrangements

4.1 The Parish Clerk will ensure that all officers are aware of their responsibility in managing and reporting risk. Each officer shall make appropriate arrangements to ensure risk is continually assessed in relation to their area of responsibility.

4.2. The Parish Clerk, advised by officers as required, will initially review the corporate risk assessment at least annually in advance of it being submitted to the Council for review and ultimate approval.

4.3. The Council in its Forward Work programme will make arrangements to approve the risk assessment policy and corporate risk assessment on at least an annual basis.

| <u>Subject</u> | <u>Risk(s) Identified</u> | <u>High, Medium or Low</u> | <u>Management/Control of Risk</u> | <u>Reviewed by</u> |
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| Precept | Inadequate Precept | Low | To determine the precept required, the Clerk / RFO examines the current financial year's accounts together with the projected year-end accounts, and considers all expenditure and income required for the next financial year, then presents this to Council to enable Council to make an informed decision and agree the Precept. The public are then notified of this via a meeting Agenda and invited to attend the next full Council meeting, whereby Council agree the Precept amount. The Clerk then submits the Precept form to NEDCC | Clerk / RFO and Full Council |
| | Precept not paid by Local Authority | Low | The Clerk/RFO checks the bank account regularly in April and October to ensure the half yearly precept payments have been made by NEDCC and notifies them if not. | |
| Financial Regulations | Not adhering to policy and procedures as set out in the Financial Regulations | Low | The Clerk/RFO and Council follow the model Financial Regulations as set out by NALC, which have been revised accordingly and adopted by the Parish Council. These are reviewed annually by the Clerk and Council and adopted at the May Annual Parish Council Meeting. | Clerk / RFO and Full Council |
| Standing Orders | Not adhering to policy and procedures as set out in the Standing Orders | Low | The Clerk and Council follow the model Standing Orders as set out by NALC, which have been revised accordingly and adopted by the Parish Council. These are reviewed annually by the Clerk and Council, and adopted at the May Annual Parish Council Meeting. | Clerk / RFO and Full Council |
| Bank Records & Banking | Banking / Financial Errors | Low | All items of income and expenditure are cross-referenced against the bank statements and a monthly reconciliation report created for authorisation. | Clerk / RFO and Finance Committee |
| | Security of banks | Medium | Currently 1 bank account in place. Parish Council eligible under FSCS up to £85,000. Other bank account / investment opportunities need to be investigated to secure Council monies. | Clerk / RFO and Finance Committee |

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| | Loss through theft and dishonesty | Low | All expenditure and income is approved by the Finance Committee and minuted as such. All cheques are to be signed by 2 Councillors with stubs initialed also. Blank cheques are never authorised and if a mistake is made on a cheque, it is automatically cancelled and a line put through it and it is then stapled to the back of the cheque book, which states the details of the cheque and why it was cancelled. Where online banking is used for payments The Council is also covered by a Fidelity Guarantee of £500,000. | Clerk / RFO and Finance Committee |
| Financial & Accounting Records | Inadequate records | Low | The Clerk/RFO maintains a cashbook listing all income and expenditure. The Clerk/RFO compiles all paperwork relating to monthly income and expenditure saved on their laptop and in files kept at in the Parish Council office. All files are reviewed by the Chairman and Internal Controller annually and also assessed by the Internal Auditor annually before being submitted for audit. | Clerk / RFO and Finance Committee |
| | Not following the grant claims procedure | Low | The Clerk/RFO ensures the grant policy is adhered to and that all qualifying organisations are notified of the claim process annually. The Clerk/RFO also ensures there is a power to pay such grants before presenting the grant application to Council for agreement. | Clerk / RFO and Full Council |
| | Grant Payments | Low | The Clerk/RFO ensures that all annual grants are budgeted for and a schedule of such payments kept for audit purposes and future budgeting. Payment is made in accordance with the Grant policy. | |
| Cash | Loss through theft and dishonesty | Medium | Petty cash float of £150 is held. Receipts reconciled to cash float. Deputy Clerk manages the float and Clerk/RFO monitors regularly. Reimbursements checked by members of the Finance Committee periodically at their discretion. | Clerk / RFO and Finance Committee |
| Debit Card | Incorrect Use | Medium | Restricted to use by the Clerk /RFO only and only used in line with policy and procedure. All purchases to be made using the card, are reviewed monthly by 2 Councillors, with all records of use being added to the cashbook and invoice folder, including all receipts. | Clerk / RFO and Finance Committee |
| Borrowing | Ability to repay loans | Low | The Clerk/RFO ensures that appropriate provision is made in the budget for any repayments required annually, as well as completing affordability check calculations. | Clerk / RFO and Full Council |

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| Best Value | Charges made on the Parish Council are too high | Low | The Clerk/RFO will always obtain at least 2 estimates/quotations for any work undertaken by contractors on behalf of the Parish Council. For any major expenditure procedures set out in the Financial Regulations will be adhered to. All estimates/quotations are then to be agreed and approved by full Council and minuted accordingly. | Clerk / RFO and Full Council |
| Financial Reporting | Insufficient information | Low | The Parish Council appoints an Internal Controller annually (from the Finance Committee) to review and authorise all financial records. All income and expenditure is presented at Finance meetings along with the balances of all Parish Council bank accounts. Each quarter, the Clerk/RFO circulates to Council a financial report outlining income and expenditure against budget. The Clerk/RFO ensures that all VAT returns are made in a timely manner and recorded in the cashbook accordingly. All accounts are available for public inspection. | Clerk / RFO, Finance Committee and Full Council |
| Audits | Annual Audit is not completed within the set deadline | Low | The Clerk/RFO prepares the year end accounts and Annual Return for the Internal Auditor to review, who is appointed by the Full Council from the Finance Committees recommendation on an annual basis. Once the accounts have been returned by the internal auditor any recommendations are reported on and noted by Full Council. The RFO then completed the AGAR for Full Council approval within the time frames set. All required documentation is then submitted to the External Auditor for review. On the return of the signed AGAR by the external auditor all findings are reported and minuted at Full Council and the Conclusion of Audit document is shared for public view. | Clerk / RFO, Finance Committee and Full Council |
| | Annual Audit is not advertised | Low | The Clerk/ RFO is to ensure the annual audit notices are put on the Council notice board and website for the public to view, for the prescribed period of time. | |
| Invoices | Goods not supplied but billed | Low | All invoices are only paid after the service or goods have been received, and only after the Finance Committee have approved them. | Clerk/RFO and Finance Committee |
| | Incorrect Invoicing | Low | All requests /orders for goods and services are confirmed in writing by the Clerk/RFO, to agree all costs involved. The Clerk/RFO is to check all invoices received for accuracy and ensure all information is entered into the Cashbook. | |

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| | Unpaid Invoices | Low | As the Parish Council raises very few invoices, this is easily dealt with by the Clerk/RFO following up any unpaid invoices monthly. | |
| Freedom of Information Act | Non-compliance with the Model Publication Scheme | Low | Information and documentation is made available on the Parish Council website. Information is also publicised on the parish notice boards, with all FOI's dealt with in accordance with the Model Publication Scheme. The website is regularly checked to ensure it complies with all current legislation. | Clerk / Events and Communications Committee. |
| Salaries | Salary and expenses paid incorrectly, Incorrect NI & Tax deductions and Pension contributions | Low | The Council payroll is contracted to NEDDC who make the HMRC, tax and NI contributions and pensions on behalf of the council. The Clerk submits monthly information on hours, overtime and any additional payments. | Clerk and Health, Safety and Wellbeing Committee |
| Data Protection | Non-compliance with Data Protection Legislation | Low | Killamarsh Parish Council is registered with ICO the UK Data Protection Agency and governed by their rules. Any Breach of the GPC should be reported to Council and the ICO for investigation. | Clerk and Full Council |
| Insurance | Inadequate Cover | Low | An annual review is undertaken prior to the renewal of the insurance policy. Third party risk is included within the cover, with current liability set at £10m. | Clerk / Finance Committee and Full Council |
| | Fidelity Guarantee | Low | The amount is reviewed annually to ensure insurance cover is sufficient for the Parish Council's needs. | |
| | Public Liability | Low | Currently insured for cover in all areas with the play equipment at the playing field regularly inspected by the Handymen and inspected annually by an External ROSPA Inspector. | |
| | Personal Accident | Low | All Council members, employees and/or volunteers of the Parish Council are covered under the personal accident plan of the insurance policy, with Risk Assessments undertaken for any major events and the insurance company notified of such. | |
| | Cost | Low | Three quotations are obtained at the end of each insurance cover and presented to the Finance Committee and then Full Council for approval. | |
| Assets | | | | |

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| Physical Assets | Loss or damage | Medium | An annual review is conducted for insurance, storage and maintenance purposes. An annual review is also conducted for the level of public liability insurance required. Buildings protected by CCTV and alarm system and is externally monitored out of hours. | Clerk / Full Council |
| | Risk/damage to third party(ies) property | Low | | |
| Financial Assets | Land rent / lease not paid or rent income received | Low | The Clerk/RFO is to ensure that all rent and lease income is paid in a timely manner and recorded within the budget. | Clerk / Finance Committee |
| | Land owned by the Council not registered with HM Land registry | High | The Council should have a comprehensive list of land owned by themselves and ensure that each one is registered with HM Land Registry to avoid disputes in the future. | Clerk / Full Council |
| | Adequacy of Reserves | Low | The Council must maintain reserve levels to an adequate amount. This is considered by the Finance Committee and approved by Full Council annually during the budget setting cycle. | RFO / Finance Committee and Full Council |
| Staffing | Loss of Parish Clerk | Medium | Regular back-up of information, policies and procedures maintained. List of passwords and other key information kept in the office safe. Edge IT host/back up the finance and agenda/minutes packages by accessing them online. Deputy Clerk available to cover. | Clerk and Health, Safety & Wellbeing Committee |
| | Employment Law | Medium | DALC, NALC and SLCC bulletins, and the Clerk's networking with colleagues keep Councillors up to date with new and existing legislation/guidance. DALC, NALC and SLCC are available to provide support in the areas of human resources and health & safety. | |
| | Contracts of Employment | Low | All employees issued with contracts of employment and reviewed regularly. | |
| | Inadequate training | Low | Annual appraisals set for all staff and training needs identified | |
| | Performance measurement | Low | Annual appraisals set for all staff. | |
| Governance | Lack of direction and prioritisation and absence of a business / parish plan. | Medium | A business / parish plan is required to set the Councils objectives for the next 5 years. The Clerk will maintain a work plan and regularly share this with Councillors so that priorities can be set. | Clerk / Full Council |
| | Spend on activities that the Parish Council has no power to do so, | Low | The Parish Council has adopted the General Power of Competence in October 2022 as it meets the necessary criteria. This should be reviewed at every relevant annual meeting. Loss of GPC will result in existing projects being able to continue but no new projects without a specific power being started. | Clerk / Full Council |
| | Councillor Vacancies and Election | Medium | Cost of any election or by-election needs budgetary provision to | RFO / Finance Committee |

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| | Costs (including by-elections) | | avoid unbudgeted costs being incurred. Co-option policy in place and regularly updated. NEDCC notified of all vacancies as soon as possible who will declare the vacant position and notify the Clerk accordingly. | and Full Council |
| | Breach of Code of Conduct | Low | The Council adopts the recommended Code of Conduct policy and reviews this on an annual basis. The Council also has a Councillor and Officer protocol that it has adopted. The Council should also consider taking the Civility and Respect Pledge. All complaints about Councillors should be reported to the Clerk in the first place and if possible dealt with informally by the Parish Council. If a resolution cannot be achieved all complaints should be passed to the Monitoring Officer at NEDCC. | Clerk / Full Council |
| Health & Safety | Health and Safety provision and responsibilities not met | Low | Killamarsh Parish Council engage the services of a third party provider to assess the needs of the Council and to ensure all policies and procedures are in place. Through staff appraisals areas of Health and Safety training requirements are also identified. Clerk to complete the IOSH training. | Clerk / Health, Safety and Well Being Committee |
| DATA and IT arrangements | Loss of data through cyber-attack, fire or theft. | Low | The Parish Council uses Microsoft One Drive to store all its data, with the exception of EdgeIT software which is stored remotely on the cloud. The office saves a monthly copy of all files on an external hard drive which is kept in a fire proof safe. | Clerk / Full Council |
| | Freedom of Information and Subject Access Requests | Low | All data is available to the public under the Model publication scheme. The Council has a complaints and FOI policy which it follows. A Vexatious Communications policy is required for any regular complainants or FOI requests. | Clerk / Full Council |
| | Information Security | Low | Council has adopted a clear desk policy and all sensitive information is locked away each day. Digital documents of a sensitive nature are password protected. Any breaches of information security to be dealt with by the Clerk and if necessary reported to Full Council | Clerk / Full Council |
| Vehicle | Accident | Low | Adequate insurance cover in place and reviewed annually. All Staff / Councillors who drive the vehicle are required to provide photographic evidence of their driving license and this information checked regularly. | Clerk / Health, Safety and Well Being Committee. |
| | Theft | Low | Adequate insurance cover in place and reviewed annually. Vehicle parked off road and in a secure location overnight, Van keys kept in key safe in the office. | Clerk / Health, Safety and Well Being Committee. |

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| | Misuse and Accidental damage | Low | Users of vehicle to complete a daily vehicle check log and report all damage to the Clerk / Deputy Clerk. A Vehicle Usage policy to be developed and implemented. | Clerk / Health, Safety and Well Being Committee. |
| Reputation | Adverse press | Medium | Social Media Policy and Press and Media Policy to be developed and adopted. No one Councilor should respond on behalf of the Council without first consulting with the Clerk and/or the Events and Communications Committee. Regular Newsletter articles to be published in the Doorsteppa informing residents of Council news and activities, all articles to be discussed at the appropriate Events and Communications meeting. | Clerk / Events and Communications Committee |
| Allotments | Management of Council of Allotments | Low | Allotments are monitored and managed by the Environment and Climate Change Committee with the support of the Deputy Clerk. Tenancies are governed and enforced through a tenancy agreement and tenancies are allocated in order of the waiting list. Charges are reviewed annually for the following year. Allotments are checked that they are being properly kept on a regular basis and any breaches in the tenancy agreement result in the termination of the tenancy. | Deputy Clerk / Environment and Climate Change Committee |
| Cemeteries & Burials | Management of Cemeteries and Burials | Low | The Council owned Cemetery is maintained under a Service Level Agreement by NEDCC. The SLA needs reviewing and amending on a regular basis. | Deputy Clerk / Environment and Climate Change Committee |
| Council Play Equipment | Accidents caused by faulty play equipment | Medium | The Parish Council pays NEDCC for regular safety checks on its play equipment and the Handymen do visual checks on a weekly basis. All damage and faults are reported to the Clerk to deal with appropriately. | Deputy Clerk / Environment and Climate Change Committee |
| Bus Shelters & Benches | Management of Bus Shelters and Benches | Low | The Parish Council Handymen routinely clean and tidy the Council owned Bus shelters and report any damages to the Clerk to deal with appropriately. Benches are checked on a regular basis for signs of damage | Deputy Clerk / Environment and Climate Change Committee |
| Trees | Reports of overgrowing / dangerous trees | Medium | The Parish Council have a duty of care to maintain all trees and vegetation on land it owns to a safe standard. A tree inspection and maintenance programme is to be completed for all Trees on Council land so proactive works can be carried out. | Deputy Clerk / Environment and Climate Change Committee |
| Grit Bins & Salt | Grit bin refills and salt distribution inappropriately managed | Medium | Approximately 40 grit bins in the village with several being owned by the Parish Council. Contractors are in place to refill the bins as and when required and some salt supplied by NEDCC in return for the Council arranging the contractor. Bags of grit are also purchased and delivered to vulnerable residents in the village. A Grit Bin and Salt delivery Management policy is required and | Deputy Clerk / Environment and Climate Change Committee |

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| | | | enforced to minimize misuse. New sites to be considered against a criteria in the village. | |
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| | Last Reviewed: | Mar-22 | | |
| | Next Review Date | Mar-23 | | |

Reviewed by Finance Committee:

Approved by Finance Committee:

Approved by Full Council:

