

NORTH STAINLEY WITH SLENGFORD PARISH COUNCIL

RISK ASSESSMENT STRATEGY

Introduction

This document has been produced to enable the Parish Council to assess the risks it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is aware that although risks cannot be eliminated fully, it has in place a strategy that provides a structured, systematic and focused approach to managing risk.

Risk is something that will affect the ability of the Council to achieve its objectives and meet its duties. Risk management is the process by which these risks are identified, evaluated and controlled. This document will be reviewed at least annually.

Assessment

FINANCIAL MANAGEMENT			
Risk(s) Identified	Risk Factor	Management / Control Method	Actions
<i>Loss of funds through theft or dishonesty.</i>	L	<ul style="list-style-type: none"> The Council has adopted a set of regulations to govern its financial management. The Council does not operate a petty cash system. All payments are authorised by at least two Councillors. Council's insurance policy includes a fidelity guarantee (£250,000 of non-negotiable money in the 2016/17 policy). No payments or receipts are made in cash. The Council's audit plan and system of internal controls sets out procedures for Councillors and Internal Auditor to check the financial position of the Council. The Responsible Financial Officer (RFO) uses security software recommended by the Council's bank (Trusteer Endpoint Protection). All income is paid in to the bank. Bank balances are reported to the Council at each ordinary meeting and the corresponding statements signed by two Councillors. 	<ul style="list-style-type: none"> Existing procedures adequate. Review financial regulations at least annually (adopted on 15/5/15 and reviewed on 17/5/16). Review audit plan and internal controls at least annually (carried out on 15/5/15 and 17/5/16).
<i>Financial Planning</i> <ul style="list-style-type: none"> Precept not submitted / not paid. Inadequate or mis-managed budgets. Insufficient funds to meet liabilities. 	L	<ul style="list-style-type: none"> Established routine of financial monitoring and planning at the Council's November meeting and at each Annual Meeting of the Council in May. Annual budget is set, in November each year, ensuring sufficient precept to allow the Council to achieve its objectives. 	<ul style="list-style-type: none"> Existing procedures adequate. The 2016/17 budget was approved at the Parish Council meeting on 15th November 2015.

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		<ul style="list-style-type: none"> The Council maintains its balances in line with recommended best practice (6 months running costs + £500). The Council's budget contains an allowance for extraordinary (unplanned) expenditure. Financial statements, which include a budget comparison are presented for the Council's approval twice a year. The RFO monitors the Council's performance against the budget every month. A written precept request is submitted to Harrogate Borough Council prior to their advertised deadline. 	
Financial Records <ul style="list-style-type: none"> Accounts and bookkeeping incorrect. Invoices received not processed or cheque payments wrongly processed. Non-compliance with best practice and legal requirements. 	L	<ul style="list-style-type: none"> The RFO maintains proper records, overseen by Councillors who undertake regular checks in accordance with the Council's audit plan. The RFO is a qualified bookkeeper. Council's accounts and budgeting are internally and externally audited each year. Copies of the Council's financial records are displayed on its website: www.northstainleyparishcouncil.btck.co.uk All invoices are checked by the Clerk for accuracy. Payments are authorised by the Council at each ordinary meeting and recorded in the minutes of that meeting. The Council works in accordance with its financial regulations, audit plan and retention of information scheme. 	It is noted that 'Governance and Accountability for Smaller Authorities in England' is currently being updated (May 2016). Further updated versions will be obtained as published.
Bank and Banking <ul style="list-style-type: none"> Adequacy of the Council's accounts / bank. Availability of funds to cover payments. 	M	<ul style="list-style-type: none"> Cheque stubs and invoices are signed by two Councillors. Printed record kept of transfers made between the Council's accounts. Clerk carries out a regular review of available accounts, looking at services and the interest offered. The Council maintains a balance of £500 in its current account. 	<ul style="list-style-type: none"> System to be considered to ensure that there are available funds to cover cheque payments (cross checking of Clerk). Note that Santander have reduced interest rates on the Council's Business Savings Account with effect from 1/7/16. Carry out a review of available savings rates during the 2016/17 financial year.
Best value accountability. <ul style="list-style-type: none"> Work awarded incorrectly. Overspend on services. 	M	<ul style="list-style-type: none"> Financial regulations 10 and 11 set out the Council's procedures for orders, contracts and procurement. Long term agreements entered into to achieve stability of costs. 	2016 is the first of a three year agreement with MHS Countryside Management for grasscutting services.

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• Cost of services excessive.		<ul style="list-style-type: none"> If an issue is encountered the Clerk would investigate the situation, check the quotation / tender, research the problem and report to Council. 	
<i>VAT claims not made.</i>	L	<ul style="list-style-type: none"> VAT claim submitted at least annually. A diary / reminder system is in operation to ensure VAT repayment is received. The balance analysis report, submitted to Council twice a year, includes the figures of outstanding VAT which is to be reclaimed. 	
EMPLOYMENT ISSUES			
Risk(s) Identified	Risk Factor	Management / Control Method	Actions
<i>Legal issues surrounding Parish Council as an employer.</i>	L	<ul style="list-style-type: none"> The Council has adopted policies for grievance and disciplinary proceedings. The Council has appointed a staffing committee to conduct the Clerk's annual appraisal. The Clerk is employed under the terms of a version of the Model Contract agreed by NALC and SLCC. These organisations will offer assistance with employment issues. 	Update Clerk's contract of employment during 2016/17 financial year.
<i>Disruption to business continuity through absence or loss of Clerk.</i>	M	<ul style="list-style-type: none"> The Council is a member of YLCA which offers assistance with the production of appropriate documentation for advertising vacancies and appointing a new Clerk. A Councillor would take minutes and undertake essential duties in the event of an unfilled vacancy or unexpected absence. Key documents are posted online. 	Consider allocating a training budget for existing or new staff and Councillors.
<i>Salary payments incorrect or not made.</i>	L	<ul style="list-style-type: none"> The Clerk submits a monthly timesheet and is paid on the basis of exact hours worked. The RFO uses appropriate payroll software to generate payslips and make electronic, RTI submissions to HMRC. The Council receives an employer's report for each payment to be made. Councillors check payments prior to them being made. The Internal Auditor conducts a full check of expenses payment at the end of each financial year. 	Existing appointment and payment system is adequate.

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		<ul style="list-style-type: none"> The Council approves the rate at which the Clerk is to be paid, based upon The National Agreement for Calculation of Clerks Salaries. 	
<i>PAYE / NIC payments not made to HMRC.</i>	L	<ul style="list-style-type: none"> The Council receives an employer's report for each payment to be made. The RFO makes an electronic payment to HMRC at the same time as a salary payment, after authorisation is received from Councillors. 	<ul style="list-style-type: none"> New tax code for 2016/17 inputted on to software.
COUNCIL'S MANAGEMENT AND GENERAL PROCEDURES			
Risk(s) Identified	Risk Factor	Management / Control Method	Actions
<i>Insurance</i> <ul style="list-style-type: none"> Adequacy Cost Compliance 	L	<ul style="list-style-type: none"> A review of insurance cover is carried out annually to ensure relevant liabilities are insured. Members are circulated electronically with a copy of the proposed policy. The cost of the Council's insurance policy is included in its annual budget. A 3 year agreement is entered in to, to ensure cost stability. Asset register is maintained, checked during Internal Audit and approved annually by the Council. Employer's liability, public liability and fidelity guarantee are a statutory requirement. The Council uses an appropriate insurance provider, who specialises in providing cover to Local Councils. 	<ul style="list-style-type: none"> The Council's 3 year agreement with Zurich ends on 31/5/17. Review insurance provision for 2017 Annual Meeting of the Council.
<i>Documents & Policies</i> <ul style="list-style-type: none"> Ensuring that the Council's policies and standard documents are up to date and meet best practice guidelines. 	L	<ul style="list-style-type: none"> The Council responds to issues raised through Internal Audit. The Council is a member of YLCA and uses their templates as a basis for its documents. The Clerk ensures that relevant policies are drafted and put to Council for adoption. The Council reviews all policies and documents are reviewed at each Annual Meeting of the Council. The Clerk advises the Council as to whether proposed action are within adopted policies. Documents are displayed on the Council's website. 	Review of documents instigated as a result of the Internal Auditor's 2014/15 report and completed at the 2016 Annual Meeting of the Council.
<i>Record Keeping</i>	L	<ul style="list-style-type: none"> Chairman is provided with the login details for the Council's e-mail and website accounts which are changed monthly. 	

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<ul style="list-style-type: none"> Loss through theft, fire, damage or electronic corruption. Loss of access to Council's records. 		<ul style="list-style-type: none"> Clerk backs up electronic documents to a back-up memory stick and to cloud storage provided by BT. The Council makes use of North Yorkshire County Council's archive facility. Documents are kept in a secure place (Clerk's home). The Council has agreed a retention of documents and information policy which is reviewed annually. Documents are shared regularly with Councillors. 	
<i>Minutes</i> <ul style="list-style-type: none"> Destroyed or lost. Mismanagement by Clerk. 	L	<ul style="list-style-type: none"> Old sets of minutes are archived by North Yorkshire County Council's specialist unit. Signed copies are kept in a secure place (Clerk's home). Electronic copies are stored on the Council's website and back-ups are made of the Council's data. Minutes are numbered and dated. Minutes are approved by the Council at the following meeting, signed by the Chairman of that meeting who also initials each page. 	
<i>Meetings mismanagement.</i> <ul style="list-style-type: none"> Potential for illegal activity or payments. 	L	<ul style="list-style-type: none"> Clerk has received appropriate training (Working with your Council) re. agenda, roles, procedures minutes etc. The Chairman and Councillors are advised of, and encouraged to take advantage of training opportunities provided by YLCA and other institutions. The Council is kept updated of new procedural legislation by the Clerk. Standing Orders exist and are regularly reviewed to ensure all items are managed correctly. Council has access to support and information via YLCA. Ensuring that all activity and payments within the powers of the Parish Council are resolved and minuted at Full Parish Council meetings. Complaints are dealt with in accordance with the Council's adopted policy. It is only the Clerk who has emergency powers to take decisions or incur expenditure between meetings of the Council. 	<ul style="list-style-type: none"> Latest NALC Model Standing Orders adopted on 17/5/16.
<i>Meeting Location</i>	L	<ul style="list-style-type: none"> Parish Council meetings are held in North Stainley Village Hall. 	Existing location adequate.

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<ul style="list-style-type: none"> Satisfactory health and safety of meetings. Availability of venue. 		<ul style="list-style-type: none"> The premises and facilities are kept in good order and are considered more than adequate for this purpose from a Health & Safety and comfort perspective. Annual timetables for meetings are agreed and published at the end of each calendar year. The schedule is confirmed with the bookings secretary of North Stainley Village Hall. 	
<i>Data Protection</i> <ul style="list-style-type: none"> Potential non-compliance with Data Protection Act. 	L	<ul style="list-style-type: none"> Clerk uses 'bcc' facility when sending e-mails. The Council considers sensitive or confidential issues 'in camera'. The Clerk has attended an ICO Advisory Workshop for Parish Councils (2015). 	Consider registration as a data controller with the Information Commissioner
<i>Information Publication</i> <ul style="list-style-type: none"> Not responding to requests for information in a timely manner, or failing to meet the requirements of the Freedom of Information Act. Failure to meet the requirements of the Transparency Code for Smaller Authorities. 	L	<ul style="list-style-type: none"> The Council has a model publication scheme for Local Councils in place. This is reviewed at each Annual Meeting of the Council. The Council is able to request a fee for any information requested to cover the cost of consumables or the Clerk's time. The Clerk is experienced in dealing with requests made under the Freedom of Information Act. Information (e.g. re. audit) is published in accordance with statutory guidance. The Clerk undertakes to post relevant information on the Council's website in a timely manner. 	
<i>Website</i> <ul style="list-style-type: none"> Disruption to site. Lack of information on site. 	L	<ul style="list-style-type: none"> The website is hosted by a professional company (BT Community Webkit). Clerk keeps copies of all information posted on site. The Clerk undertakes to post relevant information on the Council's website in a timely manner. 	Investigate opportunities for making a back up of the website.
<i>Members Interests</i> <ul style="list-style-type: none"> Complaints about decisions because of members' interests. Sanctions against members who fail to declare, or incorrectly declare interests. Conflicts of interest. 	L	<ul style="list-style-type: none"> Members complete a register of interests and are encouraged to ensure that this remains up to date. Registers are displayed on the Council's website. Each meeting contains an items re. 'Declarations of Interest and Requests for Dispensations' and the Chairman asks all members present to declare an interest if appropriate. 	<ul style="list-style-type: none"> Members to take responsibility for updating their register. Regular reminder to be included on the agenda of the Annual Parish Council Meeting.

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		<ul style="list-style-type: none"> • If an interest is declared this is recorded in the minutes of the relevant meeting. • A process for dealing with dispensations exists within the Council's Standing Orders. • Advice on this subject is available from Harrogate Borough Council's Monitoring Officer. 	
ASSETS			
Risk(s) Identified	Risk Factor	Management / Control Method	Actions
<i>Loss or damage to assets (including street furniture, play area and communal open spaces).</i>	L	<ul style="list-style-type: none"> • An asset register is maintained and insurance is held at the appropriate level for all items. • Regular checks are carried out on all assets, both by the caretaker and Clerk. • Reports received from members of the public are acted upon in a timely fashion. 	<ul style="list-style-type: none"> • Consider appropriate signage for Millennium Walk.
Trees Failure of trees with risk of damage or injury to third party(ies) or property.	L	<ul style="list-style-type: none"> • The Council has adopted a tree maintenance and inspection policy. • The trees are inspected by an appropriately qualified person at regular intervals. • Records of the inspections are kept by the Clerk. • The parish caretaker has an ongoing remit to report and deal with issues as they arise. • Works arising from the inspections are carried out in a timely fashion. • Trees of concern are given particular attention during inspection. • The Council's budget includes an allowance for works to trees. 	<ul style="list-style-type: none"> • Inspections last carried out in March 2016. • All trees found to be generally sound. • Council agreed to undertake priority 1 works and seek quotations for priority 2 works.
Ponds Risk of drowning by members of the public.	M	<ul style="list-style-type: none"> • The Council provides life buoys near each pond and these are maintained by the parish caretaker. • Ponds are located in the centre of the village and are overlooked by properties. • The surface around the ponds are well maintained grass – thereby reducing trip hazards. • Foliage is maintained around the edges of the pond, so that edges are either clearly defined, or access is impeded by vegetation. 	Consideration be given to the provision of warning / information signs.

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<p><i>Play Area</i> Risk of damage or injury to third party(ies) or property.</p>	<p>L</p>	<ul style="list-style-type: none"> • Weekly checks of the play area and equipment are carried out by a competent member of the public. • Monthly, maintenance checks of the equipment are carried out by the parish caretaker. • Annual inspections of the play area and equipment are carried out by a registered play inspection company. • An independent, site specific risk assessment is carried out at regular intervals. • Records of all inspections are retained by the Clerk. • The Clerk is responsible for closing any equipment considered to be damaged or dangerous and e-mails photographic evidence that this has been done. • The Council carries out any necessary works in a timely fashion. • The Council has reserves allocated to fund play area repairs as required. 	<ul style="list-style-type: none"> • Existing arrangements are adequate. • Review insurance requirements annually. • Repair fund stands at £3,101.03 as at 31/3/16. • Update contact / information board at entrance.
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This Risk Assessment was carried out by Iona Taylor, Clerk and RFO to the Parish Council.

This Risk Assessment was adopted by the Parish Council at its meeting held on 17th May 2016.