

1. Introduction

1.1 Pennington Parish Council recognises that it has a responsibility to take all reasonable and practical measures to safeguard its employees and the people it works with and the importance of risk management in order to maintain the ability to deliver the activities/ services expected of the Council. Risk management is a factor that enables the Council to satisfy its objective to deliver high quality public services.

1.2 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

2. Objectives

2.1 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

2.2 These objectives will be achieved by:

- Identification of risk and level of risk.
- Undertaking risk assessments and reviewing them annually
- 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

3. Risk Management Background

Risk management is making sure informed decisions are made based upon facts and the risks identified, which typically might be those of finance and safety. The majority of risk can be eliminated if the Parish Council ensures that it operates according to all relevant rules, legislation, procedures and codes of conduct appertaining to its functioning. Strict adherence to financial disciplines and controls is of paramount importance at all times.

A risk assessment is nothing more than a careful examination of all aspects concerning a particular event/action so that an informed decision can be made knowing that unnecessary risk has been eliminated and any remaining risk together with its possible impact has been identified. For the ease of implementation and control of a risk management process there are a number of individual activities/responsibilities that can be grouped together under the following headings: -

Physical assets - buildings, furniture, equipment, machinery etc.

Financial - budgeting, financial accounting, fraud control, petty cash, supporting documentation etc.

General Liability - injury to individuals and third parties.

Employer liability - the rights of any employee are upheld.

Legal liability - duties of the Parish Council are executed in accordance with legal requirements

Councillor propriety - adherence to code of conduct, declaration of interests etc.

Image/attitudes - maintaining positive image and attitudes towards the Parish Council.

4. Review

Risk management is reviewed on a rolling and annual basis. Deletions, amendments and additions may be made as necessary and advice from internal and external auditors, and insurance companies will be considered on receipt of reports. Monitoring of particular assets/ risks will be delegated to specific councillors/ teams.

The risk assessment and management procedures for Pennington Parish Council are outlined herein.

PHYSICAL ASSETS

ASSET: PARISH ROOMS

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Asset Register – Reviewed Annually - by Full Council

Maintenance Review – Ongoing Review – by Full Council

AREA OF RISK: Financial Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Asset Register – Reviewed Annually - by Full Council

Maintenance Review – Ongoing Review – by Full Council

AREA OF RISK: Security Loss/ Damage and Public Use

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Asset Register – Reviewed Annually - by Full Council

Maintenance Review – Ongoing Review – by Full Council

Hire Agreements – Reviewed Annually and as Necessary – by the Clerk

AREA OF RISK: Services/ Bills

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Monitor Bills – Ongoing Review – by the Clerk

Energy Audit – Ongoing Review – by Full Council

AREA OF RISK: Squatting

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Regular Security Checks – Ongoing Review – by Full Council

ASSET: SUNNYSIDE

AREA OF RISK: Landlord

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Asset Register – Reviewed Annually - by Full Council

Maintenance Review – Ongoing Review – by Full Council

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Maintenance Review – Ongoing Review – by Full Council

Tenants Report – Ongoing Review – by Full Council

AREA OF RISK: Financial Loss

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Tenancy Agreement – Reviewed Annually - by Full Council

Rent Review – Reviewed Annual and as Necessary – by Full Council

AREA OF RISK: Security/ Safety Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Maintenance Review – Ongoing Review – by Full Council

Tenants Report – Ongoing Review – by Full Council

AREA OF RISK: Squatting

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Regular Security Checks – Ongoing Review – by Full Council and Tenant

ASSET: GRAZING LAND

AREA OF RISK: Financial Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Asset Register – Reviewed Annually - by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Regular Security Checks – Ongoing Review – by Full Council and Tenant

ASSET: LOPPERGARTH

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk
Asset Register – Reviewed Annually - by Full Council
Maintenance Review – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk
Asset Register – Reviewed Annually - by Full Council
Maintenance Review – Ongoing Review – by Full Council

ASSET: ALLOTMENTS**AREA OF RISK:** Landlord

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk
Asset Register – Reviewed Annually - by Full Council
Maintenance Review – Ongoing Review – by Full Council
Plot Inspection – Ongoing Review – by Full Council

AREA OF RISK: Financial loss/ damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Tenancy agreements – Reviewed Annually -by Full Council
Insurance – Reviewed Annually – by the Clerk
Rent review – Reviewed Annually and as Necessary – by Full Council

AREA OF RISK: Structural loss/ damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Maintenance review – Ongoing Review – by Full Council
Insurance – Reviewed Annually – by the Clerk

AREA OF RISK: Security loss/ damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Maintenance review – Ongoing Review – by Full Council
Insurance – Reviewed Annually – by the Clerk

AREA OF RISK: Public safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk
Safety Review – Ongoing Review – by Full Council

AREA OF RISK: Services and Bills

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Monitor Bills and Services – Ongoing Review – by the Clerk
Energy Audit – Ongoing Review – by Full Council

AREA OF RISK: Covenant/ Stock Proof Fence

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Stock Proof Fencing – Ongoing Review – by Full Council and Tenant report

ASSET: LOPPERGARTH PLAYGROUND

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

Playground committee checks – Ongoing Review – by Committee and Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

ASSET: SWARTHMOOR PLAYGROUND

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

Playground committee checks – Ongoing Review – by Committee and Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

ASSET: SWARTHMOOR BASKETBALL AREA

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

Playground committee checks – Ongoing Review – by Committee and Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

ASSET: BUS SHELTERS

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Monthly inspection report – Reviewed Monthly – by Inspector and Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections– Reviewed Monthly – by Full Council

ASSET: TELEPHONE KIOSKS – SWARTHMOOR AND LOPPERGARTH

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections – Reviewed Monthly – by Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections– Reviewed Monthly – by Full Council

AREA OF RISK: Services and Bills

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Monitor Bills and Services – Ongoing Review – by the Clerk

Energy Audit – Ongoing Review – by Full Council

ASSET: NOTICEBOARDS

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections – Reviewed Monthly – by Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections– Reviewed Monthly – by Full Council

ASSET: BINS

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections – Reviewed Monthly – by Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections– Reviewed Monthly – by Full Council

ASSET: MACHINERY/ EQUIPMENT

AREA OF RISK: Structural Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections – Reviewed Monthly – by Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Security Loss/ Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections – Reviewed Monthly – by Full Council

Asset register – Reviewed Annually – by Clerk and Full Council

Repairs – Ongoing Review – by Full Council

AREA OF RISK: Public Safety

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Inspections– Reviewed Monthly – by Full Council

FINANCIAL

AREA OF RISK: Banking/ Accounting Errors

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Financial Regulations – Ongoing Review – by Full Council

Mainstream Banking – Ongoing Review – by Full Council

AREA OF RISK: Cash Loss through theft or dishonesty

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually – by the Clerk

Petty Cash Policy – Ongoing Review – by the Clerk

Internal Control – Ongoing Review – by Full Council

Internal/ External Audit – Reviewed Annually by IA and EA and Full Council

AREA OF RISK: Fraud, Misappropriation of Funds and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance – Reviewed Annually by the Clerk

Internal Controls – Ongoing Review – by Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

AREA OF RISK: Financial Control, Mis-payments, Accounting Errors

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Reconciliation – Ongoing Review - by the Clerk

Internal Controls – Ongoing Review – by Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

AREA OF RISK: Precept/ Budget – Inadequate Cashflow, Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Budget Review – Ongoing and Annual Review - by the Clerk and Full Council

Internal Controls – Ongoing Review – by Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

AREA OF RISK: Reserves – Unable to Meet Financial Commitments

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Reconciliation – Ongoing Review - by the Clerk

Internal Controls – Ongoing Review – by Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

AREA OF RISK: Payroll – Incorrect Payments, Fraud

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Reconciliation – Ongoing Review - by the Clerk

Internal Controls – Ongoing Review – by Full Council

Use of Recognised Software and Training – Ongoing Review – by the Clerk and Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

AREA OF RISK: HMRC- Fines and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Reconciliation – Ongoing Review - by the Clerk

Internal Controls – Ongoing Review – by Full Council

Use of Recognised Software and Training – Ongoing Review – by the Clerk and Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

AREA OF RISK: Grants and Improper Use of Funds

LEVEL OF RISK: Low

MANAGEMENT OF RISK:

Internal Controls – Ongoing Review – by Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

Appropriate Grants Policy and Approval – Ongoing and Annual Review – by Full Council and the Clerk

AREA OF RISK: Projects – Inadequate Cashflow/ Income

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Internal Controls – Ongoing Review – by Full Council

Project Appraisal/ Review and Adequate Budgeting – Ongoing Review – by Full Council and the Clerk

AREA OF RISK: Annual Return – Fines and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Reconciliation – Ongoing Review - by the Clerk

Internal Controls – Ongoing Review – by Full Council

Use of Recognised Software and Training – Ongoing Review – by the Clerk and Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

GENERAL LIABILITY

AREA OF RISK: Legal Liability – Asset Ownership and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Insurance - Reviewed Annually – by the Clerk

Asset Register – Reviewed Annually - by Full Council

Asset Review – Ongoing Review – by Full Council

AREA OF RISK: Compliance – Fines and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Policies and Procedures – Ongoing Review – by Full Council

Training – Ongoing Review – by Full Council and Clerk

EMPLOYER LIABILITY

AREA OF RISK: Employment Law – Fines and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Employer Liability Insurance - Reviewed Annually – by the Clerk

Membership of Industry Bodies (NALC, CALC, SLCC) – Reviewed Annually – by Full Council

AREA OF RISK: HMRC- Fines and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Regular Advice and Updates from HMRC, Inland Revenue – Ongoing Review – by the Clerk

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

LEGAL LIABILITY

AREA OF RISK: Safety -Damage Claims

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Health and Safety/ Risk Assessments – Ongoing Review – by Full Council and Inspectors

AREA OF RISK: Remuneration – Underpayments and Fraud

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Reconciliation – Ongoing Review - by the Clerk

Internal Controls – Ongoing Review – by Full Council

Use of Recognised Software and Training – Ongoing Review – by the Clerk and Full Council

Internal and External Audit - Reviewed Annually by IA and EA and Full Council

Adherence to NALC Pay Scales – Ongoing Review – by Clerk and Full Council

AREA OF RISK: Competence Errors– Fines and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Training – Ongoing Review – by Full Council

AREA OF RISK: Legal Powers– Fines and Reputational Damage

LEVEL OF RISK: High

MANAGEMENT OF RISK:

Review of Legal References and Notes – Ongoing Review – by the Clerk and Full Council

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Membership to Advisory Bodies – Reviewed Annually – by Full Council

AREA OF RISK: Reporting – Document Control - Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Full Council and Committee Meetings – Ongoing Review – by Full Council and Clerk

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Internal Controls – Ongoing Review – by Full Council

AREA OF RISK: Statutory Requirements - Policies

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Full Council and Committee Meetings – Ongoing Review – by Full Council and Clerk

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Internal Controls – Ongoing Review – by Full Council

Training – Ongoing Review – by Full Council and the Clerk

COUNCILLOR PROPERTY/ IMAGE/ ATTITUDES

AREA OF RISK: Declarations – Reputational Damage

LEVEL OF RISK: High

MANAGEMENT OF RISK:

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Register of Interest – Ongoing Review – by Full Council

AREA OF RISK: Code of Conduct – Reputational Damage

LEVEL OF RISK: High

MANAGEMENT OF RISK:

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Register of Interest – Ongoing Review – by Full Council

Training – Ongoing Review – by Full Council and the Clerk

AREA OF RISK: Communications – Libel, Slander and Reputational Damage

LEVEL OF RISK: High

MANAGEMENT OF RISK:

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Training – Ongoing Review – by Full Council and the Clerk

Membership of Advisory Bodies – Reviewed Annually – by Full Council

Insurance – Reviewed Annually – by the Clerk

Legal Advice if necessary – Ongoing Review – by Full Council

AREA OF RISK: Filing and Loss of Documents – Reputational Damage and Breach of GDPR

LEVEL OF RISK: High

MANAGEMENT OF RISK:

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Locked and Encrypted Files/ Cabinets – Ongoing Review – by Full Council and the Clerk
Adequate Software and Anti-virus – Ongoing Review – by the Clerk and Full Council

AREA OF RISK: Dishonesty, Corruption – Financial Loss and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Fidelity Insurance – Reviewed Annually – by the Clerk

Internal Controls – Ongoing Review – by Full Council

Register of Interest – Ongoing Review – by Full Council

AREA OF RISK: Overspending – Financial Loss and Reputational Damage

LEVEL OF RISK: Medium

MANAGEMENT OF RISK:

Financial Policies and Procedures – Ongoing and Annual Review – by the Clerk and Full Council

Internal Controls – Ongoing Review – by Full Council