

Holme Parish Council

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HOLME PARISH COUNCIL RISK ASSESSMENT 2021 - 2022

Dear Councillors,

The Council is expected to carry out an annual risk assessment of financial risks it is exposed to and identify any actions it considers necessary to minimise those risks.

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 & processes, standards of conduct and service delivery arrangements. ***Audit Commission – Worth the Risk: Improving Risk Management in Local Government (2001:5).***

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 focused approach to managing risk.

The following table shows general risks that the Parish Council considered upon review at the Parish Council meeting of 24th May 2021.

Subject: Identifies the subject area (column 1)

Risks Identified: Identification of what the risk may be (column 2)

Risk Score: Identification of the level of risk - high, medium or low (column 3)

Management / Risk Control: Evaluates the management and control of risk and records findings (column 4)

Review/Assess/Revise: Reviews, assesses and revises procedures and responsibilities as required (column 5)

This Risk Assessment was formally reviewed and accepted by the Parish Council on Monday 24 May 2021.

Scott Thornley
Clerk to Holme Parish Council

Subject	Risk(s) Identified	Risk Score H/M/L		Management/Control of Risk	Review/Assess/Revise/Action Plan
		Impact	Likelihood		
Business Continuity	Council not able to continue its business due to an unexpected or tragic circumstance		L	All files and recent records are kept at the Clerk's home address. The Clerk makes a weekly back-up of files. In the event of the Clerk being indisposed the Chair to contact CALC for advice/availability of a locum clerk.	Existing procedure adequate
Meeting Location/s	Adequacy Fire & Health & Safety issues	M	L	Meetings are held in the Parish Hall. From a Fire & Health & Safety perspective the premises and facilities are considered adequate and safe to use for the Councillors, Clerk and members of the public who attend the PC meetings.	Existing management procedures are considered adequate.
Council Records	Loss through damage, fire or theft		L	Current papers and files are kept at the Clerk's home address. Duplicate planning files are retained by YDNPA and all documents of relevance are copied electronically to a separate back-up external hard-drive and to a secure cloud account.	Damage or theft risk is low therefore provision is adequate
Council Records (electronic)	Loss through damage, fire, theft or corruption of computer		M	The Council's electronic records are stored on the Council computer at the Clerk's home address. Back-ups of the files are taken weekly on an external hard drive which is stored securely and also to a secure cloud account.	Adequate risk control in place
Precept	Adequacy of precept		M	Sound budgeting procedures underpin the annual precept. The Council receives regular financial updates and	Existing procedure adequate

				detailed budgets in November. The precept is an agenda item at the December meeting.	
Insurance	Adequacy Cost Compliance Fidelity Guarantee		L L L M	Annual review to be undertaken of all insurance arrangements. Employer Liability, Public Liability and Fidelity Guarantee are a statutory requirement.	Policy review at the Annual Parish Council meeting in May of each year
Banking	Inadequate checks		L	The Council has two bank accounts, a principal account and a deposit account. All money received is paid into the principal account by the Clerk. All payments are made using cheques or online banking drawn on the principal account. A maximum of 3 Councillors to be authorised signatories and cheques must be signed by 2 of the authorised members and the counterfoils initialled. Where payments are made using online banking, the clerk initiates the payment and it is then up to one of the Authorised Signatories to electronically authorise this before the payment is complete. The Clerk should not be an authorised signatory.	Existing procedures provide adequate control of risk Currently there are 3 authorised signatories to the principal account.
Cash	Loss through theft or dishonesty		L	The Council has no petty cash or float. Any cash transactions made by a staff member or Councillor to be fully receipted and reimbursed monthly	Existing procedures adequate

				upon payment authorisation by Councillors at a Council meeting.	
Financial controls and records	Inadequate checks		L	<p>At every Council meeting the Clerk presents a statement of payments made since the last meeting and presents cheques to be authorised for signatures for outstanding accounts at the same meeting. All payments must be resolved and clearly minuted. Monthly reconciliation of the bank accounts is prepared by the Clerk in conjunction with the Council electronic accountancy cashbook which provides its own reconciliation statement for comparison against the bank record. An analysis of income and expenditure against each of the agreed budget items is automatically recorded by the accountancy software.</p> <p>The Parish Clerk as the Responsible Financial Officer to the Council and the Chair are the only individuals with Administration Rights.</p> <p>Quarterly financial reports are made to the Council.</p> <p>Financial checks are also undertaken by internal and external audit.</p> <p>Bank reconciliations are checked and signed monthly by a councillor who is not an authorised signatory.</p>	Existing procedure adequate

Freedom of Information Act	Policy Provision		L M	The Council will follow District (SLDC) model policy procedures for any requests. The clerk is aware that if a substantial request is made this may require many hours of additional work. Requests to be assessed and responded to by the Clerk as appropriate within regulations and in compliance with statutory time limits.	Existing procedures adequate
Clerk	Loss of Clerk Fraud Actions undertaken		M L L	Appropriate training to be authorised for the Clerk. The requirements of Fidelity Guarantee insurance must be adhered to in relation to fraud. Clerk to be provided with reference books, access to assistance and legal advice.	Membership of CALC maintained Membership of SLCC maintained Working conditions to be monitored
Election Costs	Risk of election costs		M	Risk is higher in an election year. There are no measures which can be adopted to minimise the risk of a contested election. A contingency fund should be established to meet the costs in the relevant financial year.	Include in financial budget when setting precept
VAT	Re-claiming / charging Late payment		L	The Council's accountancy package automatically calculates VAT responsibilities at source when each and every payment is made / received. VAT is reclaimed quarterly or sooner.	Existing procedures adequate
Annual Audit Return	Not submitted on time		L	Annual return to be completed and signed by the Council prior to being submitted to the internal auditor for annual review and signing. Relevant documents then forwarded to the External Auditor within time limit.	Existing procedures adequate

ASSETS					
Street lights, signs and benches	Damage to equipment Injury to third parties		L	Insurance is held for all items. Regular checks are made on the items by staff and members of the Parish Council. Reports of damage to benches, signs or lighting defects to be made directly to the Clerk.	Existing procedures adequate
Bus Shelter	Damage to building Injury to third parties		L	Insurance held. Reports of damage to be made directly to the Clerk.	Existing procedures adequate
Notice boards	Damage to notice board		M	Visual inspection of both notice boards carried out weekly. Reports of damage to be reported directly to the Clerk.	Existing procedures adequate
LIABILITY					
Legal Powers	Illegal activity of payments		L	All payment activity is to be made within the powers of the Council and to be resolved and clearly minuted.	Existing procedures adequate
Minutes/Agendas/ Statutory Documents	Accuracy and legality Non-compliance with statutory requirements		L L	Minutes and agendas are produced in the prescribed manner and adhere to legal requirements. Minutes are approved and signed at the next meeting. Minutes and agendas are displayed in accordance with legal requirements. The Chair to conduct and manage business at Council meetings	Existing procedures adequate. Members to adhere to Code of Conduct.
Public Liability	Risk to third party, Property and individuals		M	Insurance cover is in place. Risk assessment of any individual event to be undertaken.	Existing procedures are adequate
Employer Liability	Non-compliance with employment law		L	Adequate training to be undertaken. Advice from CALC and SLCC where necessary and appropriate.	Existing procedures are adequate

Legal Liability	Legality of activities Proper and timely reporting via Minutes		M L L	Clerk to clarify legal position on proposals and seek advice where necessary Council always receives and approves minutes at monthly meetings	Existing procedures adequate
Members Interests	Conflict of interest Register of Members Interests		L L	Councillors have a duty to declare any interest at the start of a meeting. Register of Members Interests form completed by all Members and copy with Parish and District Councils	Existing procedures adequate Members to take responsibility to update their register.