

Cononley Parish Council
Risk Management Policy
To be reviewed 2021

1. Cononley Parish Council is committed to identifying and managing risks, using the following procedures, and to ensure that risks are maintained at an identifiable level. Any action that is felt necessary will be taken up by the Council.
2. The Council will review risks annually, including any newly identified risks. The Review will include identification of unacceptable levels of risk. This review will take place during the last quarter of the financial year, in advance of the annual insurance renewal.
3. The approach to local council audit requires councils to provide an assessment of the ways in which business and other risks are managed in order that corporate governance arrangements are strengthened, stewardship of public funds are improved and assurance provided to taxpayers. The failure to manage risk effectively can be expensive in terms of litigation and reputation as well as an impediment to the achievement of the desired aims of the Council.
4. The Local Councils Governance and Accountability Guidance makes the following observations regarding risk management.
 - Risk management is not just about financial management, it is about setting objectives and achieving them in order to deliver high quality public services.
 - The new approach places emphasis on local councils strengthening their own corporate governance arrangements, improving the stewardship of public funds and providing assurances to taxpayers.
5. It goes on to state that members of the Parish Council are ultimately responsible for risk management because risk threatens the achievement of objectives. The Council is well placed to undertake this as many features of risk management are already well established and are effectively part of the day to day operations undertaken on behalf of the Council by the Chairman and Clerk (who is also the Proper Officer and Responsible Finance Officer). The Government's requirement to the preparation of a formal document outlining a Council's assessment of its risk management process does afford the opportunity to adapt, improve and document existing processes. Members of the Parish Council should, therefore:-
 - Take steps to identify key risks facing the Council
 - Evaluate the potential consequences to the Council if an event identified as a risk takes place
 - Decided upon appropriate measures to avoid, reduce or control the risk or its consequences.

Risk Assessment May 2021

Risk assessment is a systematic general examination of working conditions, workplace and business activities and environmental factors that will enable the Council to identify any and all potential risks inherent in the place or its practices. Based on a recorded assessment, the Council should then take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible, making sure that all members of the Council are made aware of the results of the risk assessment.

This document has been produced to enable the Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimize them. In conducting this exercise, the following plan was followed:

- Identify the areas to be reviewed
- Identify what the risk may be
- Evaluate the management and control of the risk and record all findings
- Recommend further controls to be implemented
- Review, assess and revise if required.

This risk assessment is clearly one of value-judgment. Risk identification can be daunting as it can lead to a long list of potential threats with no sense of their relative importance. There is no 'right' answer in terms of evaluation of potential risk as one Council's view may vary from another's depending on particular circumstances in each Parish.

The tables below are put forward for consideration by the Council and are intended to be a starting point for the development of a system of risk management by the Council.

Section	Area of risk	Consequence	Risk/ Impact	Current Control	Future control to be considered	Person responsible	Subsequent R/I	Frequency of review
1. Finance	Business Continuity	Risk of the Council not being able to continue its business due to an unexpected or tragic circumstance	M/L	Membership of YLCA- Locum Clerk sought	Create management plan for: Loss or long term incapacity of the Clerk		L/L	Annual
	Precept	Adequacy of precept Requirements not being submitted to CDC in time / Payments not received from CDC	M/L M/L	To determine the precept required, the Council regularly receives budget update information. The Council receives a budget report including actual position and projected position to the end of year and indicative figures or costings obtained by the RFO. With this information	Control adequate. Council to undertake short-, medium- and long-term planning activities. RFO supported by the Financial Consultant is to	RFO RFO & Full Council	L/L	Monthly Annually

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			H/L	(and the Parish Council Planning information) the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from Craven District Council. The figure is submitted by the RFO. The RFO informs the Council when the monies are received. 6 month's general reserve kept to allow Council to function for six months should Precept not be received.	produce costings and draft budget based on plan. Draft budget to be reviewed and adopted December / January yearly Autumn yearly review to firm up plans for 22/23. Current control adequate	RFO		Six monthly
	Inadequate records	Financial irregularities	M/H	Finance Regulations contain procedures for maintaining records. Record retention policy also applies	Current control adequate	RFO / Council members	L/L	Quarterly & annual for policy
	Bank and Banking	Inadequate Checks Bank mistakes	L/M L/M	Finance regulations contain procedures. Monthly finance reports Online Bank payment safeguards	Current control adequate.	RFO / Council members	L/L	Annual policy review Monthly
	Cash	Loss through theft or dishonesty	L/L	Finance Regulations set out requirements for handling cash. There is no petty cash or float	Current control adequate. Continue to not keep any petty cash or float	RFO/ Council members	L/L	Annual
	Reporting	Information communication	L/M	Quarterly reporting of income & expenditure against budget Monthly finance report Annual accounts presented for approval	Current control adequate Consider a greater input by the Financial Consultant reporting to the RFO	RFO	L/L	Quarterly Monthly Annual

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	Grants and support (payable)	Inappropriate or ultra vires grants made	L/H	Adoption of Community Grants policy and procedure. A review of Grants Policy undertaken in 2021	To review policy and procedure after 1 year of operation. Continue to review regularly.	RFO / Council	L/L	Annually (on grant approval)
	Grants (receivable)	Not currently receiving any grants	L/L	The Parish Council does not currently receive any regular grants but occasional grants are applied for such as VAS/Village Gateways	Current control adequate	RFO / Council	L/L	Annual
	Charges – rentals receivable	Loss of income through failure to pay.	L/L	No rentals are currently receivable. Allotment rents to be paid by standing order once site obtained and allotments created.	Current control adequate	RFO	L/L	Annual
	Overspend on contracts	Unplanned overspend causing unexpected use of reserves or costs not covered by precept.	M/M	Finance Regulations provide procedure to follow.	Current control adequate	RFO / Council	L/L	Annual (review of Financial Regs)
	Salaries, fees and associated costs	Salary Spine Point applied incorrectly, pension paid incorrectly, use of home as office expenses paid incorrectly. Salaries paid incorrectly Wrong hours paid Wrong deductions of Tax & NI PAYE payments	M/M	Review of salaries, pensions and use of home as office expenses. Results of review minuted. Council authorises the recruitment and appointment of all employees and contractors. Salary (including hours) and contractors' rates are approved by the Council. RFO uses BrightPay software for calculation & checks tax coding when issued / received. PAYE Payments approved by full Council. Payment included in	Pay Scales in conjunction with NJC Scales Consider annual salary review.	RFO/ Council	L/L	Annual

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				finance report/Schedule of Payments. Employers annual return included in internal audit.				
	Employees	Loss of key personnel	M/H	Reference should be made to the Continuity Plan in case of loss of key personnel.	Appointing a Councillor as a temp Clerk. Appoint locum Clerk/RFO	RFO/Council	M/L	Annual
		Fraud by staff	L/H	The requirements of the Council's insurance policy to be adhered to with regards to fraud. Staff included in Fidelity Guarantee insurance.	Current control adequate		L/L	
		Actions undertaken by staff	L/M	All employees must have adequate direction and any safety equipment needed to undertake duties. The Clerk must be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Current control adequate Current control adequate		L/L	
	Councillors' allowances	Councillors overpaid	L/L	No allowances are allocated to Parish Councillors.	Current control adequate	RFO	L/L	Annual
	Councillors' expenses	Councillors under / over reimbursed	L/M	Expenses to be claimed on expense form with attached receipts. Approved by Council with invoices for payment and paid by RFO	Current control adequate	RFO	L/L	Annual
	VAT	Reclaiming	M/H	VAT is reclaimed annually at a minimum.	Current control adequate	RFO	L/L	Annual
		Charging	L/L	There are no chargeable services.	Current control adequate		L/L	Annual

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	Audit	Not carrying out statutory requirements of audit.	M/H	Internal Audit by competent and registered auditor with Local Government experience Review of internal audit recommendations External auditor appointed by Audit Commission. Review of external audit recommendations.	Current control adequate Current control adequate Current control adequate	RFO/Council	L/L	Annual Annual Annual
2. Governance	Minutes	Accuracy and legality Minutes not having Consecutive numbering Business Conduct Covid-19 Remote Meetings-signing Minutes No Chair/Vice Chair in post	ML/H L/L L/H	Minutes approved and signed at the next Council meeting Minutes produced in the prescribed method by the Clerk and adhere to legal requirements Minutes made available to the public once approved via Council's website Business conducted at Council meetings managed by Chairman of the meeting (not always the Chairman of the Council) Meeting Minutes approved without signing at subsequent meeting. Each meeting appoints a meeting chair, further to YLCA Guidance	Current control adequate Current control adequate Current control adequate Guidance / training given to Chairman if and when required. Members to adhere to Code of Conduct and meetings managed as per Standing Orders in force at the time. Consider signing of Minutes remotely Strive to gain a permanent chair and vice chair	Clerk / Council Clerk/ all members	L/M L/M	Monthly / Annual Audit Monthly
	Agenda	Agenda not issued in time for meetings	L/L	Advertising of future meetings on noticeboard and on website ensures bare minimum legal requirements met.	Current control adequate Consider advertising on Facebook	Clerk	L/L	Monthly / Annual Audit

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	Members' Interests	Conflict of interests Register of Members' interests	L/H	Declaring of Members' interests by Councillors at a meeting is a process to remind Councillors of their duty and is on each agenda. Register of Interest forms should be reviewed regularly by Councillors	Current control adequate. Members to take responsibility to update their register.	Members of Council	L/M	Annual
	Legal Powers	Council acting ultra vires	L/H	All activities and payments within the powers of the Council to be resolved and minuted at Council meetings.	Include a reference to the legal power used for each activity or payment.	Clerk	L/L	Monthly (minutes)
	Best Value Accountability	Incorrect award of contracts (of all values) Overspend on services Appropriateness of spend	M/H	Council's financial regulations contain policy and detailed procedure for the award of contracts. Where possible criteria is to be set in advance as to how funds are to be spent. Criteria for award of individual contracts (where formal tender to be undertaken) to be approved by Council before going out to tender. Criteria for award of smaller contracts to be selected by RFO and advised to the Council at same time as recommending award of contract.	Current control is adequate. Include in annual review of policy and procedure.	Clerk / Council		Annual (audit)
	Insurance	Adequacy Cost Compliance Fidelity Guarantee	L/H	Public Liability cover Employers Liability cover Money & Fidelity Guarantee Personal Accident Buildings and contents cover	Current control adequate	Clerk / Council		Annual

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				<p>Equipment Cover Equipment cover for Clerk's home Review insurance cover Consider three-five year deal Only deal with reputable insurers</p> <p>Annual review in undertaken of all insurance Ensure compliance measures are in place. Ensure fidelity checks are in place.</p>				
	Communication with Parish	<p>Parish unaware of Parish Council business.</p> <p>New website Compatibility Guidance</p>	<p>M/L</p> <p>L/M</p>	<p>Parish website: noticeboard</p> <p>Report to Annual Parish Meeting</p> <p>PC has engaged with web designer to ensure compliant website</p>	<p>Keep website up to date and expand with more historical and contextual material</p> <p>Consider publishing an annual report on Parish Council business (including accounts) each year (1 per household) to include accounts, developments etc. Sign the website off as soon as possible in 2021</p>	<p>Clerk</p> <p>Clerk / Council</p>		<p>On-going</p> <p>Annual (June)</p>
3. Policy & procedure	Ensure all relevant policies &	Lack of appropriate policies increases risk of acting unlawfully.	M/H	Ensure that all relevant policies & procedures are in place and that the adoption of policies is minuted.	Consider wider range of policies and state rationale for deciding to not implement a specific policy.	Clerk & Council	L/L	Annual

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	procedures are in place			Ensure that all policies and procedures as adopted are available on the Council's website.	Complete main policy adoption.			
	Review all policies & procedures annually	Out of date policies and procedures increases risk of acting unlawfully.	M/H	Undertake annual review of all policies Undertake annual review of this risk assessment.	To review annually in September / October.	Clerk & Council	L/L	Annual
4. Assets (general)	Ownership of assets	Council can lose track of assets owned by Council leading to loss or lack of maintenance	M/H	Undertake annual check of assets and review of asset register. Asset register and risk assessment checked by internal auditor	Maintain database of assets and check for presence / condition	Clerk	L/M	Annual Annual
	Condition of assets	Council can lose assets because of lack of assessment of condition. Can also lead to risk of uninsured if asset not cared for.	M/H	Survey condition of all assets at least once a year, taking photos if necessary. Review maintenance and risk assessment for items during review of insurance requirements Review maintenance schedule for assets	Establish detailed schedule with costings for maintenance of all assets. Include maintenance schedule within grounds maintenance contract. Clerk & Councillors to carry out regular asset conditions assessments. Assessments to be kept in asset register files.	Clerk & Council	L/M	Annual
5. Specific Assets	Noticeboard	Injury to third parties through falling.	L/H	Noticeboard inspected for damage. New board purchased 2020. Insurance cover reviewed annually	Current control adequate. Lengthsman to repair as necessary	Clerk, Lengthsman and Council members	L/L	Monthly (on publishing agenda) Annual

Section	Area of risk	Consequence	Risk/ Impact	Current Control	Future control to be considered	Person responsible	Subsequent R/I	Frequency of review
	Bus shelter	Risk / damage/ injury to third parties	L/M	Shelter inspected by Councillors/Clerk/ Lengthsman for cleanliness and damage Public and Council members encouraged to report problems to Clerk. Lengthsman instructed to jet wash inside and outside annually and conduct detailed check of structure (roof, guttering, water damage, uneven floor, seat requiring repair, painting). Ensure public know how to report defects and damage (signs)	Current control adequate	Clerk, grounds maintenance contractor and Council members		Monthly On-going Annual
	Street Lighting	Risk of impact damage Risk of electric shock Risk of failure (darkness) Risk of damage to property or person by falling Corrosion to light fittings	L/M	Inspect visually Continue maintenance by NYCC	Current control adequate. Include replacement of older lights in forward planning.	Clerk, electrical contractor.	L/L	Annual On-going
6. Open Spaces	Playing Field	Field is the responsibility of the Cononley Playing Field Trust.		Day to day maintenance management with PFAC. Regular inspections carried out by PFAC and records kept, with repairs reported to Sole Trustee at each meeting. Inspection carried out by RoSPA approved contractor each year. Copy of inspection to be sent to Clerk once received.	Review on regular basis.	Playing Field Trust		Quarterly report from CVPFA Annual

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	Grass areas	Risk of falling branches, tree falling & injuring public or staff or property	M/H	Council members, Lengthsman to keep eyes open and report any signs of damage or damaged trees to Clerk. Clerk /PFAC to carry out visual inspection quarterly.	Current control adequate Use a qualified Tree Surgeon where required	Clerk, Council & Grounds maintenance contractor Clerk/PFAC	L/H	Annual Annual & on-going On-going Quarterly
	Fixed furniture	Fixed furniture e.g. benches, risk of theft or causing injury through damage	L/M	Benches are secured to the ground where possible. Visual checks by Lengthsman. Quarterly check on condition.	Current controls adequate	Clerk / Lengthsman Clerk/Lengthsman Clerk/Lengthsman	L/L	Quarterly On-going Quarterly
	Darkness	Trips / falls	L/M	Ensure PC owned lighting on all well used paths/ areas is in working order. Ensure public know how to report lights not in working order. Council members to check nominated areas of village on agreed schedule & report problems.	Current controls adequate	Clerk / Council members Clerk Clerk Clerk / Electrical contr Council members	L/L	On-going Annual One-off Annual Schedule to be agreed
	Dog Fouling	Public / employees	M/M	Lengthsman to be aware of problem areas.	Current controls adequate	Clerk, Council members, Lengthsman	L/M	On-going

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				Ensure public know how to report dog mess on paths and other well frequented areas. Educate public through newsletter articles Clear signs around well used Council land.	E-newsletter now being progressed	Clerk/Council Members		Annual
	Drug use	Injury to public/ employees from sharps	L/M	Employees and volunteers to be advised of safe working procedures to deal with sharps. To be provided / to provide (contractors) with appropriate safety equipment Prompt response to reports of sharps by public Police informed	Current controls adequate	Clerk, Council members, Lengthsman	L/M	On-going Monthly grounds checks
	Leaves in heavily used areas of paving	Slip hazard to public / employees	L/L	Lengthsman to clear as instructed during Autumn	Current controls adequate: mainly task carried out by courtesy not duty.	Clerk, Lengthsman	L/L	Annual
7. Records	Freedom of Information	Incorrect information collected	L/M	Records to be reviewed annually, unauthorised data to be destroyed.	Current controls adequate	Clerk	L/L	Annual
	Information loss	Loss or destruction of paper or electronic documentation through fire, theft, damage or computer corruption.	M/H	Council records are stored at the home of the Clerk and in a locked filing cabinet at the Village Hall. Records including historical correspondence, minute books and copy leases for land or property, records such as	Majority of historical documentation lodged with Records Office.-Copies of original leases and deeds to be kept electronically for ease of access.	Clerk / Council	L/L	Annual

Section	Area of risk	Consequence	Risk/ Impact	Current Control	Future control to be considered	Person responsible	Subsequent R/I	Frequency of review
				personnel, insurance, salaries etc. Backup of electronic files produced using external hard drive on a daily basis. Data Protection Policy & Records Policy in place. Clerk keeps computer to date with software and appropriate hardware.				
	Data Protection	Release of personal data to unauthorised persons	L/H	Adoption of records policy and registration with ICO as data handler. Data Protection Policy adopted. Requestors to be required to prove identity before data is released.	Current controls adequate	Clerk	L/L	Annual
8. Meetings	Meeting locations	Adequacy Health & Safety Online Meetings	L/L L/L	Council meeting held in a venue considered to have appropriate facilities for the Council, Clerk & general public. Meeting attendees are at home	Current controls adequate Request copy of Risk Assessment for Hall and confirm PL Cover.	Clerk / Council	L/L	Annual
9. Sole Trustee risks	General	Finances:	L/H	PF finances dealt with directly by Clerk for the Charity. CVI still maintain operational responsibility and manage finances using separate but all payments must be reported to and approved monthly by the Sole Trustee. Payments only to be authorised by Clerk and 2 Councillors.	Current controls adequate.	Clerk (RFO) and RFO to CVI Charity.	L/H	Annual

Section	Area of risk	Consequence	Risk/ Impact	Current Control	Future control to be considered	Person responsible	Subsequent R/I	Frequency of review
	Assets	Loss of or damage to assets	L/L	Reporting by the Clerk or CVI on a regular basis as to the state of assets and maintenance required for retention or improvement. Individual risk assessments to be created, reviewed and reported on regularly. Up to date copies to be made available to the Clerk and Sole Trustee at all times. Regular hirers of CVI to be asked to produce copy of current public liability insurance. Regular hirer to be defined by Sole Trustee.	Current controls adequate.	Chairman of the CVIAC, Clerk and Sole Trustee	L/L	Annual