

DRY DRAYTON PARISH COUNCIL – RISK ASSESSMENT & MANAGEMENT POLICY

To be Approved and Adopted, 15 May 2018

Introduction

Risk management is a structured approach to managing known, and perceived threats (e.g. cuts at District and County level which may reduce local services).

It closely relates to a Council's ongoing activities and flows from regular assessment of risk.

For Parish Councils this may be described as risk awareness & engagement.

It is recommended that Dry Drayton Parish Council and its Parish Clerk manage risks to Dry Drayton on an ongoing basis within its vicinity by:

- identifying risks to the parish and parishioners;
- developing strategies to manage, and alleviate these risks;
- working in partnership with the community using its resources; and
- working with others outside our boundaries who share our interests and aims.

A Structured Approach

The Council's approach to risk management starts at the beginning of each business year. By setting aside time to review its business and strategies the Council will gain a clear view of its priorities and revisit its objectives and how they are to be managed. This has the advantage of developing clear roles that will help the Council effectively use its powers and duties for the benefit of the community.

Risk Management Assessments

When the need is identified *in year* risk management assessments may be carried out by the lead Councillor(s) with the assistance of the Clerk as required.

Consideration by the Council

The Council as the decision-making body resolves issues, and makes decisions by consensus following constructive engagement and thought by all its members.

To assist Councillors to act as a corporate body several basic requirements need to be in place, including early referral of projects with:

- Answers to key questions - **Why? What? When?**
 - **Community benefit?** (*should be clearly established*)
 - **Consequences?** (*if not done now, or in future*)
 - **Cost/benefit ratio?** (*benefit must outweigh cost*)
 - **Comparison with other projects?** (*order of priority*)

- Specialist Advice
 - Health & Safety, Legal, Resources, Facility Management
(if and when we have a play area) trees, footpaths etc.

- Up to date reports
 - showing progress, latest and planned expenditure on current projects; and
 - significant projects (over £500) planned over next three to five years by programme (e.g. village works, bus shelter)

Action by Working Party

Where this applies this is driven by a clear programme of work delegated by the Council and monitored by ongoing monthly progress reports to the Council. The Clerk may not commit resources on new projects without reference to the full Council, unless delegated authority has been approved in accordance with the Finance Regulations.

Business Item	Risk	Level of Risk - High/Medium/Low	Alleviation of Risk by Dry Drayton Parish Council	Ongoing Review
Council				
Decision-making	Maintaining the work of the Council with only 4 Councillors against a full complement of 7.	M	By promoting of the role of the Council within the community to generate interest in potential co-optees to the Council.	Publicise work using the website and newsletter.
Training	Lack of awareness of the roles and powers of the Council, Clerk and Councillors	M	Councillors and Clerk to attend training.	
Declaration of interest(s)	Debating issues and voting without declaration of personal and/or prejudicial interest.	L	Agenda item at Council Meetings. Guidance circulated.	Register of Interest forms reviewed and updated at Annual Meeting, after re-election.
Review of risk assessment policy	Changing circumstances	M	Annual review	Annual review at Annual Parish Council meeting
Resources & Services	Recognition of potential cuts at District and County level that may reduce local services.	M	Identifying services at potential risk e.g. village lighting, footpath & bridge maintenance	Setting aside contingency monies within budget to cover local funding.
<u>Finance:</u>	(a) Ensuring adequacy of precept	L	i) RFO checks receipt of the council tax base rate from SCDC	Council to review draft budget in January and

Precept	<p>b) Precept not submitted to SCDC</p> <p>c) Precept not received by Parish Council</p>	<p>L</p> <p>L</p>	<p>for Band D property in the parish.</p> <p>ii) RFO prepares draft budget by forecasting expenditure on new and existing projects.</p> <p>RFO sends formal request in writing to SCDC after January Council meeting.</p> <p>Precept is transferred via BACS into Parish Council's bank.</p>	<p>formally sets precept.</p> <p>RFO to advise Council of SCDC deadline.</p> <p>RFO to advise Councillors of receipt of monies.</p>
Banking	Inadequate checks resulting in errors.	<p>H</p> <p>L</p> <p>M</p>	<p>Payments are made by cheque from the current account signed by two authorised signatories, and bank stubs initialled & retained.</p> <p>Interest rate on savings account to be reviewed regularly.</p> <p>The RFO is responsible for bank correspondence and statements & carries out bank reconciliations to ensure all receipts and payments are accounted for; and sufficient monies are available for monthly outgoings.</p>	<p>New signatories to be approved and notified to bank, when required.</p> <p>Business reserve rate checked</p> <p>RFO to liaise with Chairman to produce letter of authority to transfer monies from current account to savings account, when required.</p>
Financial Reporting	To ensure Councillors receive accurate financial records & bank	<p>L</p>	RFO financial reports for Council meetings showing receipts	Existing procedures to be retained.

	reconciliations to permit informed decisions by the Council.		and expenditure against budget. Inspection & approval by the Council.	
Audit	To provide independent assurance to the Council of the accuracy of the accounts, & that expenditure is in accordance with Council decisions and budget.	L	Internal auditor appointed by the Council at the Annual Parish Meeting, and internal audit carried out each year & reported to the Council (exempt from External Audit, unless request it).	Cover for losses is part of DDPC's insurance.
Cash	Loss through theft, dishonesty, or inefficiency	L	No petty cash system in operation, but payments received to be banked	
Financial Regulations	Not used for reference, or guidance.	H	Current version now complies with the current national guidance.	To be reviewed annually at Annual Parish Council meeting
Insurance	Adequacy of cover, including public liability	L	Level of cover to be examined against risk and assets held.	To be updated annually
	Cost	M	Recognition of current competitive market	Existing procedures to be retained.
Assets	Failure to recognise assets held/not held.	L	Asset register to be maintained and updated.	
VAT	Potential loss of receipts to Council. Annual exercise to recover VAT payments forgotten.	L	RFO records VAT on purchases on finance spreadsheet & retains VAT receipts for VAT refund claim to HM Customs & Revenue.	

Section 137 Expenditure	Exceeding statutory limit for expenditure per financial year. [Section 137(4)(a) of the Local Government Act 1972]	L	Keeping records to ensure that the payments limit per elector for parish and town councils in England is not exceeded.	
S106 Income	Potential risk of recovery of monies plus interest if not used for community	H	Records are maintained showing monies & year of receipt	
Contracts	Not gaining "Best Value" for the community.	M	By seeking more than one quotation for any works or goods obtained in accordance with the Finance Regulations.	
Staff	Retention of trained Clerk & RFO Correct salary paid Risk of financial penalty if PAYE contributions not paid (& Annual Return) not made by HM Customs & Revenue's deadline.	M L H	Contract & terms and conditions agreed. Cambridgeshire ACRE provide professional service. Professional advice received from Cambridgeshire ACRE which will also make PAYE tax return on behalf of the Council.	
Projects	Financial and H&S risks if not correctly project-managed and outcome evaluated.	M	Council or Working Party to carry out in year Risk Assessment; and assess findings (e.g. risk assessments of recreation area and play equipment by RoSPA.)	Need to ensure annual safety assessments of the play area, if and when it is established.
Contingency Planning	Cuts in services provided by SCDC and CCC lead to additional	M	Careful monitoring of budget cut back messages received from	Contingency fund(s) to be built into budget.

	financial pressures at parish level.		District and County Councils to identify areas at risk (e.g. parish lighting).	
Statutory records	<u>Risk of loss of:</u> - deeds of the allotments; - registration documents to common land in DD; and - records of Council Meetings.	L L L	Deposited with County Archive at Shire Hall Documents copied onto Clerk's computer and backed up.	- -
Electronic records	Loss of working & policy documents, correspondence and finance records.	M	"	-
Data Protection	Non-compliance with the requirements of the Data Protection Act 2018	L	DD Parish Council has complied with the requirement to produce a Publication Scheme, to carry out a Data Audit and post a Privacy Notice.	Publication Scheme to be reviewed annually; Clerk to update Council on any further data protection requirements
Freedom of Information	Non-compliance with the requirements of the Freedom of Information Act 2000	L	Relates to requests for information.	Information to be made available except for confidential staff matters.
Community				
Communication	Lack of awareness by the wider community of the role and achievements of the Council.	M	Communication Strategy includes publicising current Councillors and their roles.	Maintaining village newsletter update of Council activities.

	Lack of involvement in key areas of local community life.	M	Attendance at Management Committee Meetings of the Village Hall & S&VA.	Councillors to receive reports.
Transparency Code	Risk accusation of not providing the community with details of income/expenditure & Council decisions	M	Comply with government requirement to publish information on Council website	Transparency documents available on the website
Resources	<p><u>Lack of support to parish</u>, risking:</p> <ul style="list-style-type: none"> - Oversight of footpaths, roads and bridges, planning and law & order issues; and - Maintenance of seats, noticeboards, village sign etc 	<p>L</p> <p>L</p>	<p>Councillors (& Clerk) keep in close touch with officials and Councillors of SCDC and CCC; and Cambridge Constabulary.</p> <p>Annual Inspection of village facilities and roads.</p>	Ongoing liaison to continue.
Emergency Planning	Health & Safety of residents and through traffic	M	Council has contacted HGV companies about traffic	Emergency plan finalised and approved; Council continues to respond to residents' concerns

Anita Cullum, Clerk to Dry Drayton Parish Council, May 2018