

Nettleden with Potten End Parish Council

Risk Assessment March 2021 v0.2

Previous Review Date:	20 February 2020
Resolved by Council on:	15 April 2021
Next Review Date:	September 2021

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 and processes, standards of conduct and service delivery arrangements.

The Parish Council is required under regulation 3 of the Governance and Accountability for Smaller Authorities in England (March 2018) to ensure that it has a sound system of internal controls which:

- a. Facilitates the effective exercise of its functions and the achievement of its aims and objectives
- b. Ensures that the financial and operational management of the authority is effective, and
- c. Includes the effective arrangements for the management of risk

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Parish Council to identify any and all potential inherent risks. The Parish Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks insofar as is practically possible.

FINANCIAL AND MANAGEMENT						
Subject	Area of risk	Likelihood (H/M/L)	Impact (H/M/L)	Management / control of risk	Review / assess / revise	Responsibility
1. Insurance (Hiscox)	a. General adequacy	L	H	The insurance arrangements should be reviewed fully on a three-year basis with interim annual checking. Review of risk and adequacy of cover (loss / damage, public liability, consequential loss and fidelity guarantee) should be conducted annually.	Check limits annually and review full policy every three years. Full review of renewal costs every three years, next due 2023	Clerk and Councillors
	b. Cost	L	L			
	c. Compliance	L	M			
	d. Public liability	L	H	Insurance at £10,000,000		
	e. Employers Liability	L	M	Insurance at £10,000,000		
	f. Money	L	L	Insurance at £1,000		
	g. Fidelity guarantee	L	M	Insurance at £150,000		
	h. Property	L	M	Insurance at: <ul style="list-style-type: none"> • Gates and fences £4,613 • Street furniture £49,928 • Playground equipment £28,554 • Trees, shrubs and plants £25,000 • Gardening equipment £ 713 		
	i. Personal accident	M	M	Insurance at £100,000 (capital benefit), £500pw (temporary benefit) and £10,000 medical expenses.		
	j. Defamation	L	M	Insurance at £500,000		
	k. Excess	L	L	£250 excess for all insured risks. £250 to be set aside as a reserve.		
2. Insurance (contractors)	a. Public liability	L	H	Take copies of contractors Public Liability Certificates or obtain written confirmation of cover.	Existing procedures adequate.	Clerk and Councillors
3. Precept	a. Adequacy of precept	L	M	The Council regularly receives budget update information. At the precept meeting the Council receives a budget report including the previous year's figures, actual position and projected	Review budgets quarterly. Start review of following year	Clerk and Councillors

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				<p>year end position together with projections for standing costs and projects for the following year with explanations of material differences from the previous two years. A budget is agreed by the Council, which after adjustment for the use of any reserves is resolved to be the precept amount to be collected by Dacorum BC (DBC). The claim is signed by three councillors and submitted to DBC by the Clerk.</p> <p>The Clerk informs the Council when the monies are received.</p>	<p>requirements in November.</p> <p>Confirm precept requirement in January.</p>	
4. Concurrent Services Grant	a. Adequacy of grant	M	M	The amount of the grant from DBC is advised to the Council in November prior to setting the precept. Should the grant be reduced the Council has the option of increasing the precept or varying the terms of the Village Warden’s contract which is on 3m notice.	<p>Review annually</p> <p>Contract renewal January 2022</p>	Clerk and Councillors
5. Budget provision and reserves	a. Insufficient available funds	L	M	A full budget needs to be submitted prior to the Precept request. This will include funds placed in reserve for future projects and a minimum 75% of the annual precept as a contingency reserve.	Review annually	Clerk and Councillors
6. Best value accountability	a. Work awarded incorrectly	L	M	Normal Parish Council practise would be to seek, if possible, more than one quotation for any work undertaken costing more than £500. If problems encountered with a contract, the Clerk would investigate the situation and report to the Council.	Procedures in Financial Regulations	Clerk and Councillors
	b. Overspend on services	L	M		Procedures in Financial Regulations	Clerk and Councillors

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7. Contracts and contractors	a. Maintenance contractors	L	M	New contractors to have a break clause of no more than one year. Subject to satisfactory performance, subsequent contracts to be for no more than 3 years.	Report on performance and review when appropriate	Clerk and Councillors
8. Payroll and salary	a. Correct payment of PAYE, NI and pension	L	M	Calculation and payment of PAYE and NI outsourced to independent, professional payroll service.	Current procedure adequate	Clerk and Councillors
	b. HMRC end of year submission / P60 submit within time limits	L	L	Managed by payroll provider.		
	c. Salary paid incorrectly	L	L	Salary agreed annually and paid by direct debit against an invoice from the payroll service provider. Councillors sign list of regular payments to authorise.	Current procedure adequate.	Clerk and Councillors
9. Employees	a. Fraud by staff	L	M	Fidelity Guarantee value appropriately set	Current level considered adequate.	Clerk and Councillors
	b. Health and safety	L	M	All employees to be provided with adequate direction and safety equipment needed to undertake their role.	Review regularly	Clerk and Councillors.
	c. Clerk resignation / illness	M	H	Clerk's contract only requires 1m notice. HAPTC provide a locum service. Other local clerks may be able to help. Contingency required for advertising, sickness cover.	Review contingency in budget annually. Increase notice period?	Clerk and Councillors.
10. Bank and banking	a. Inadequate checks	L	M	The Council has Financial Regulations which set out banking requirements. The Financial Regulations were last agreed in October 2019.	Review regularly	Clerk.
	b. Bank mistakes	L	M	Monthly reconciliation verified by a Councillor.	Existing procedure adequate.	Clerk.

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	c. Mistake in drawing up cheque	L	L	Cheques to be written by the Clerk following inspection of the invoices and signed by two Councillors (or in exceptional circumstances one Councillor and the Clerk) on production of the Payment Schedule agreed at the PC Meeting. Cheque, cheque counterfoil, invoice and schedule to be signed or initialled.	Existing procedure adequate.	Clerk and cheque signatories.
	d. Debit card usage by Clerk (if obtained)	M	L	Only the clerk has a debit card on the Council's account. No debit card transaction to be for more than £100. Clerk to notify all Councillors in advance of using the council debit card and report usage to the next council meeting.	Existing procedures adequate.	Clerk and Councillors.
	e. Cash	L	L	The Council doesn't maintain a cash float. Very occasionally payments to the council are made in cash and these are banked as soon as possible and reported at the next council meeting.	Existing procedures adequate	Clerk and Councillors
11. Financial reporting	a. Information communication	L	L	The council uses spreadsheets to record income and expenditure. Financial information is a regular agenda item (Finance Report) and discussed / reviewed and approved at each meeting.	Existing procedures adequate	Clerk and Councillors
	b. Annual accounts	L	L	Accounts to be closed at year end and final statement submitted to April or May Parish Council Meeting for scrutiny and agreement.	Existing procedures adequate	Clerk and Councillors
12. Grants	a. Payment of grants	L	L	Ensure that the grant seeking entity conforms to published Council guidelines. Ensure the council has the	Existing procedures adequate	Clerk and Councillors

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				power to pay. Follow-up to ensure payment is used as stated.		
13. Rents receivable	a. Payment of rents	L	L	Rent is paid by allotment holders, the football club and the school. Diarise to ensure payments are received on time.	Create list of regular payments.	Clerk and councillors
	b. Burial ground fees	L	L	Payment to be made before interment.	Existing procedures adequate	Clerk
14. VAT	a. Recording	L	L	All invoices including VAT are noted accordingly in the cash book.	Existing procedures adequate	Clerk
	b. Reclaiming	L	L	The Council will make at least one reclaim annually after the close of the year end provided the reclaim is for more than one calendar month and is over £100. The order must have been placed by the Council, the invoice made out to the Council and the payment made from Council funds.	Existing procedures adequate	Clerk
	c. Charging	n/a	n/a	The Council is not currently registered for VAT.	n/a	n/a
15. Audit	a. Annual return – complete and return within time limits	L	H	External Audit Annual Return completed and signed by the Internal Auditor and then completed and signed by the Chairman and Clerk / RFO before 30 June and published on the website. If the PC payments and receipts fall below £25,000 the PC may agree that there is no need for a Limited Assurance Review and that Exemption is acceptable; the Certificate of Exemption must be completed and sent to the External Auditor by 30 June. All paperwork must still be completed and	Existing procedures adequate	Clerk and Councillors

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				published whether or not it is sent to the External Auditor.		
	b. Public inspection of documents	L	L	Documents held electronically will be sent on request. Physical documents may be inspected by appointment only at a convenient public place. For the safety of the Clerk, the public are welcome to inspect documents, but with a Councillor present.	Existing procedure adequate	Clerk and Councillors
	c. Internal Audit	L	M	Appoint an independent internal auditor. Make available all the information required for the Internal Auditor to complete their review. Review and act as necessary on the Internal Auditors written report.	Review the appointment of the Internal Auditor and their written report annually	Clerk and Councillors
	d. Review effectiveness of the audit	L	L	The Council must review its requirements of the internal Audit including scope, independence, competence, relationships and planning following the completion of the Internal Audit.		
16. Legal powers	a. Illegal activity of payments	L	H	The power under which expenditure in each budget line is incurred to be noted in the financial documents unless there is any ambiguity in which case it should be resolved at full Council Meetings.	Existing procedure adequate	Clerk and Councillors
	b. s137 expenditure	L	H	All s137 expenditure to be resolved at Full Council Meeting together with the running total at that time.	Existing procedure adequate	Clerk and Councillors
	c. General Power of Competence expenditure	n/a	n/a	The Council does not hold a General Power of Competence	n/a	n/a

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17. Meeting location	a. Adequacy, health and safety	L	M	Public meetings are held in the Church Rooms, Potten End. The premises and facilities are considered to be adequate for the Clerk, Councillors and any public who attend from a health, safety and comfort aspect.	Existing procedure adequate	Clerk and Councillors
18. Minutes / agenda / notices and statutory documents	a. Accuracy and legality	L	M	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements including publishing on the Agenda and Minutes section of the Parish Council website. Minutes are circulated in advance of the meeting, approved and signed at the next full Council meeting.	Existing procedure adequate	Clerk and Councillors
	b. Standing Orders	L	M	Adopted in October 2019	Review annually and when prompted by changes in legislation – next scheduled review October 2020	Clerk and Councillors
	c. Financial Regulations	L	M	Adopted in October 2019.	Review annually and when prompted by changes in legislation – next scheduled review October 2020	Clerk and Councillors
	d. Business conduct	L	M	Agenda displayed according to legal requirements. Business conducted at Council meetings managed by the Chairman.	Existing procedure adequate	Clerk and Chairman
19. Council records	a. Paper	M	L	Loss through fire, theft, damage. The Parish Council records are stored at the home of the Clerk	Accidental damage (apart from fire – see below) and theft is unlikely so provision is adequate.	Clerk

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					Damage from fire – most records are also maintained electronically so the risk is acceptable. Need to review management of title deeds.	
	b. Electronic (files)	M	H	The Parish Council electronic file records are stored on the Council’s laptop. Antivirus software to be kept up-to-date.	The data will be backed up to Cloud and a councillor given details of usernames and passwords to access the information both on the laptop and in the cloud in case of need.	Clerk and Chairman
	c. Electronic (clerk emails)	M	H	All emails are stored in the Cloud; none are held locally.	The Council Chair will be given details of usernames and passwords to access the information in case of need.	Clerk and Council Chair
	d. Electronic (councillor emails)	M	H	Councillors are not required to use council emails for official business which creates a dependency on councillors to store and if necessary retrieve emails if requested, even after they cease to be a councillor.	Regularly remind councillors of their obligations. Copy clerk in all emails.	Clerk and Councillors

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					Consider establishing a council email address for councillors	
20. Data protection	a. Policy provision	L	H	Standard wording has been adopted.	Register with the Information Commissioner	Clerk
	b. Data Protection Officer	n/a	n/a	Not required	n/a	n/a
	c. GDPR	L	H	Policies for Data Protection, Document Retention, and Privacy Notice have been adopted and published.	Review annually.	Clerk and Councillors
21. Freedom of Information and Environmental Information Regulations	a. Policy	L	H	Unable to locate although previous risk assessments have indicated that it exists.	Need to review.	Clerk and Councillors
	b. Provision	L	H	The Parish Council is aware that if a substantial request came in it could create a number of additional hours work.	Existing procedure adequate	Clerk
22. Councillors	a. Losing a councillor	L	L	When a vacancy arises there is a legal process to follow which leads to either a by-election or a co-option process. The more usual is a co-option which starts with an advert, acceptance of applications, consideration of applicants and co-option vote at a Council meeting. The Council tries to draw members from around the Parish to make sure each area is represented.	Existing procedure adequate	Clerk and Councillors
	b. The Council becoming inquorate by having less than three councillors	L	H	If Council becomes inquorate the Borough Council will take over the running of the Council (at the Village's expense).	Existing procedure adequate	Clerk and Councillors
23. Election costs	a. Risk of an election	L	M	Risk is higher in an election year (last held in 2019).	Council needs to set aside a maximum	Clerk and councillors

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					reserve of £2,000 in case of an election.	
24. Members Interests and Code of Conduct	a. Conflict of interests	M	H	Declarations of interest by members at Council meetings. Legally Councillors need only declare 'pecuniary interests', but many choose to declare other interests and withdraw from discussion if necessary. All interests are recorded.	Existing procedure adequate	Clerk and Councillors
	b. Code of Conduct	M	H	Code adopted in May 2020 and issued to each Councillor on election to Office.	Existing procedure adequate	Clerk and Councillors

PHYSICAL EQUIPMENT OR AREAS						
Subject	Area of risk	Likelihood (H/M/L)	Impact (H/M/L)	Management / control of risk	Review / assess / revise	Responsibility
25. Filing cabinet	Fire, flood, theft	L	M	Controlled access (clerk has key)	Check room regularly for water / damp / rodents	Clerk
26. Lap top / printer / projector	Fire, flood theft	L	M	Controlled access	Existing procedure adequate	Clerk
27. Speed Indicator Devices	Damage, theft	L	L	Owned by Hertfordshire CC with a five year warranty from installation in November 2019 covering accidental damage and destruction.	Renewal of warranty likely to cost £1,000 in 2024 – build up reserve to cover.	Clerk and Councillors
28. Bus shelters	Theft, fire, accidental or deliberate damage, rot.	M	L	Annual ROSPA survey. Fixed to ground, immovable and insured. Physical condition monitored quarterly. Any report of damage should be included on the next agenda. Included on insurance.	Instigate annual maintenance programme.	Clerk and Parish Warden
29. Village sign, fingerpost	Theft, accidental or deliberate damage, rot.	M	L	Fixed to ground, difficult to move. Village sign repainted as required, approximately	Weekly informal review with annual	Clerk and Parish Warden

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Subject	Area of risk	Likelihood (H/M/L)	Impact (H/M/L)	Management / control of risk	Review / assess / revise	Responsibility
signs, and benches				every 3 - 4 years (next 2024). List of assets maintained by Clerk. Included on insurance.	full review. Remedial action where necessary.	
30. Noticeboard	Theft, accidental or deliberate damage, rot.	M	L	Fixed to ground, difficult to move and insured. Regular monitoring when Clerk posts notices. Maintenance and repair or replacement as required using personnel deemed qualified by the Council. Included on insurance.	Weekly informal review with annual full review. Remedial action where necessary.	Clerk and Parish Warden
31. Playground equipment	Accidental or deliberate damage, rust, trip hazard from wetpour, loose bolts	M	H	Annual ROSPA survey. Any reports of damage to be included on next agenda. Equipment fixed to ground and immovable. Included on insurance.	Weekly reviews by councillors/clerk. Schedule a training course?	Clerk and Parish Warden
32. Goal and safety netting (Spencer Holland)	Accidental or deliberate damage. Risk of damage to neighbours house	M	M	Annual ROSPA review. Fixed to ground, immovable and insured. Reviewed quarterly. Included on insurance	Existing procedures considered adequate.	Clerk and Parish Warden
33. Safety netting (Sports Ground)	Owned by Cricket Club to protect neighbouring houses from risk of damage from cricket balls	M	H	Council should contract with Club to ensure netting in good condition and in place throughout playing season but there is no contract in place.	Need contract with cricket club.	Clerk and Councillors
34. Maintenance of land (general)	The Common The Old Green The Cemetery Various small verges	M	M	Weekly inspection by Parish Warden to remove litter and fallen branches. Fly-tipping reported to DBC for removal. Regular grass cutting and strimming.	Three yearly arboricultural review to be initiated from 2021.	Clerk and Parish Warden
35. Sleepers on Village Green	Accidental or deliberate damage, rot.	L	L	Quarterly checks to be made to ensure no damage or wear and tear has occurred to create a trip hazard to pedestrians or a hazard to passing vehicles.	Existing procedure adequate	Clerk and Parish Warden

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36. Village pond	Flooding of road, injury or death of public, damage to wildlife.	M	H	<p>The presence of water is obvious and approaches to the pond have no sudden changes in height. Most of the border is demarcated with brambles to form a natural barrier. However the depth of the pond is not obvious, in part due to vegetation growth in the pond. To mitigate this risk there are two signs indicating deep water and regular maintenance is undertaken to restrict vegetation growth.</p> <p>Regular checks to be made to ensure warning signs for deep water are visible and prominently displayed at all times.</p>	Consider commissioning ROSPA review	Clerk
37. Handrail	Accidental or deliberate damage, rot.	L	L	Quarterly checks to be made to ensure no damage or wear and tear has occurred.	Existing procedure adequate.	Clerk and Parish Warden
38. Erection and maintenance of memorials at burial ground	Accidental or deliberate damage, subsidence.	L	L	<p>The erection of new memorials or alteration to existing memorials is subject to strict conditions to avoid damaging other monuments.</p> <p>Grave Owners are responsible for the maintenance of memorials to a suitable level.</p>	One memorial is leaning sufficient to warrant looking at when the stonemason is next on site.	Clerk and Councillors
39. Equipment	Theft	M	L	Held in secured shed on allotments. Parish Warden has key. Covered in insurance.	Existing procedure adequate.	Clerk and Parish Warden