

**Hesket Parish Council**  
**RISK MANAGEMENT POLICY STATEMENT AND RISK ASSESSMENT**

| Version no. | Changes made     | Date adopted              |
|-------------|------------------|---------------------------|
| V01         | Document created | July 9 <sup>th</sup> 2024 |

# Hesket Parish Council

## Risk Management Policy Statement and Risk Assessment Adopted by Full Council on July 9<sup>th</sup> 2024 Under review

### Hesket Parish Council Risk Management Policy Statement

#### **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 and processes, standards of conduct and service delivery arrangements.

#### **Risk Policy Statement**

Hesket Parish Council recognises that it has a responsibility to manage risks effectively in order to protect its members, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

The Council is aware that some risks can never be eliminated fully and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

#### **Approach to Risk Management**

The Council's approach to risk management requires that all risks should be systematically identified and managed in the most cost-effective manner within overall resources available.

Each risk identified by the council is recorded in the Council's risk assessment. The impact is assessed, appropriate control measures are put in place and the frequency with which the risk should be reviewed is determined.

#### **Responsibility for Risk Management**

The Council recognises that it is the responsibility of all Councillors and the Clerk as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to front line service provision and to the meeting of the council's objectives and community needs.

This policy has the full support of the Council which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community.

The co-operation and commitment of all members and the Clerk as an employee is required to ensure that Council resources are not wasted as a result of uncontrolled risk.

The Council is responsible for ensuring that this procedure is adhered to.

V01

## Hesket Parish Council Risk Assessment

This document has been produced to enable the Parish Council to assess the risks it faces and satisfy itself that it has taken adequate steps to minimise them.

| <b>FINANCE AND GOVERNANCE</b> |                                                    |              |                                                                                                                                                                                                                                                                                                                                                                                                                                    |                              |
|-------------------------------|----------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| <b>Topic</b>                  | <b>Risk</b>                                        | <b>H/M/L</b> | <b>Management/control of risk</b>                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Review/Assess/Revise</b>  |
| Precept                       | Adequacy of precept                                | L            | Sound budgeting to underlie the annual precept. The precept is an agenda item at the November Council meeting, At the precept meeting the Council receives a budget update report, including actual position and projected position to the end of the year. With this information the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. | Existing procedure adequate. |
|                               | Requirements not submitted to Precepting Authority | L            | Westmorland and Furness Council requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to Westmorland and Furness Council. Clerk keeps record of precept request.                                                                                                                                                                                            | Existing procedure adequate. |
|                               | Precept not received                               | L            | Westmorland and Furness Council is a 'low risk' authority, having strong financial systems and good reserves.<br>Precept receipt is monitored by Clerk who informs Council when the precept is received at the relevant meeting.                                                                                                                                                                                                   | Existing procedure adequate. |
| Financial Records             | Inadequate records                                 | L            | The Council has Financial Regulations which set out the requirements. These Financial Regulations are reviewed annually in May                                                                                                                                                                                                                                                                                                     | Existing procedure adequate. |

| Topic                   | Risk                             | H/M/L       | Management/control of risk                                                                                                                                                                                                    | Review/Assess/Revise                                                                                       |
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| Financial Records cont. | Financial irregularities         | L           | The accounts are audited by an independent person each year. During the year financial reports are produced for each parish council meeting by the Responsible Financial Officer.                                             | Review the adequacy of internal audit and financial controls annually                                      |
| Bank and Banking        | Inadequate checks                | L           | Cheques require two signatories, Only a cheque book is held, not debit card or petty cash. The Clerk holds the cheque book but is not a cheque signatory. Digital payments currently only require authorisation by the Clerk. | New online banking access will have two authorisations. Other existing procedures adequate.                |
|                         | Bank mistakes<br>Loss<br>Charges | L<br>L<br>L | The bank does make occasional errors in processing cheques which are discovered when the Clerk reconciles the banks accounts, these are dealt with immediately by informing the bank and awaiting their correction/           | Monitor the bank statements monthly. Designated Councillor to check and sign the bank statements annually. |
| Reporting and Auditing  | Information communication        | L           | A monitoring statement is produced regularly before each Council meeting from which the Clerk updates Councillors.                                                                                                            | Existing communication procedures adequate.                                                                |
| Direct costs            | Goods not supplied but billed    | L           | At each Council meeting the Council approves the list of requests.                                                                                                                                                            | Existing procedure adequate.                                                                               |
|                         | Incorrect invoicing              | L           | Invoice are available for inspection at meetings.                                                                                                                                                                             | Existing procedure adequate.                                                                               |
|                         | Cheque incorrect                 | L           | Two signatories are required for cheques and the counterfoils initialled. For online payment only one authorisation is required.                                                                                              | New online banking access will have two authorisations Other existing procedures adequate.                 |

| Topic                     | Risk                                            | H/M/L  | Management/control of risk                                                                                                                                                                                                                                                                                                                                | Review/Assess/Revise                                                                          |
|---------------------------|-------------------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Grants                    | Power to pay<br>Authorisation of Council to pay | L<br>L | All such expenditure goes through the required Council process of budgeting, approval, are minuted and listed accordingly, with a separate list of payments made using section 137 powers of expenditure.                                                                                                                                                 | Existing procedure adequate.                                                                  |
| Grants - receivable       | Receipts of Grant                               | L      | The Parish Council does not presently receive any regular grants. One-off grants would be received subject to awarding bodies terms and conditions, and would be applied for in accordance with Standing Orders, Financial Regulations, under appropriate powers and duties.                                                                              | Existing procedure adequate.                                                                  |
| Best value accountability | Work awarded incorrectly                        | L      | The Council has financial regulations which set out requirements for the award of contracts etc                                                                                                                                                                                                                                                           | Existing procedure adequate.                                                                  |
|                           | Overspend on services                           | M      | Responsible Financial Officer to make recommendations on spending according to budget availability. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council.                                                                                        | Existing procedure adequate.                                                                  |
| Election costs            | Risk of an election cost                        | L      | Risk is higher in an election year. When an election is due, the Clerk will obtain an estimate of cost from Westmorland and Furness Council for a full elections and an uncontested election. There are no measures which can be adopted to minimise the risk of having a contested election. Consider establishing a contingency fund to meet the costs. | Existing procedure adequate.<br>Include in budget heading, and consider when setting precept. |
| VAT                       | Re-claiming                                     | L      | VAT to be claimed annually or when required in event of higher amounts, as stated in Financial Regulations. VAT reclaim is listed in Annual Accounts.                                                                                                                                                                                                     | Existing procedure adequate                                                                   |

| Topic               | Risk                          | H/M/L | Management/control of risk                                                                                                                                                                                                                                                       | Review/Assess/Revise                                                  |
|---------------------|-------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Annual Return       | Submit within time limits     | L     | Annual Return is completed by the Responsible Financial Officer, and passed to the internal auditor for completion and signing. These are then presented to the Council, approved by Full Council, signed by the Chair and the Clerk and then submitted to the external auditor. | Existing procedures adequate                                          |
| Legal powers        | Illegal activity or payments  | L     | All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council meetings.                                                                                                                                                         | Existing procedures adequate.                                         |
| Minutes/<br>Agendas | Accuracy and legality         | L     | Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements.                                   | Existing procedure adequate.                                          |
| Members interests   | Conflict of interest          | L     | The declaring of interests by members at a meeting reminds Councillors of their duty and should remain on the agenda.                                                                                                                                                            | Existing procedure adequate                                           |
|                     | Register of Members interests | M     | There are criminal penalties now deterring non-completion of Registers or declarations.                                                                                                                                                                                          | Members have a duty to update their individual Register of Interests. |
| Insurance           | Adequacy                      | L     | An annual review is undertaken (before the time of the policy renewal in February) of all insurance arrangements in place by the Clerk.                                                                                                                                          | Existing procedure adequate                                           |
|                     | Cost                          | L     | Employers and Employee liability insurance is a necessity and must be paid for. Financial Regulations set out agreed process and requirements. Three quotes are sought by the Clerk, and presented to Councillors at the September meeting.                                      | Review insurance provision annually.                                  |

| Topic                                                | Risk                                                   | H/M/L  | Management/control of risk                                                                                                                                                                                                                                     | Review/Assess/Revise                                                                                               |
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| Data protection                                      | Policy Provision                                       | M      | Councillors and Clerk adhere to data protection principles and legislation                                                                                                                                                                                     | Existing procedures adequate.                                                                                      |
| Freedom of Information Act                           | Policy Provision                                       | M      | The Council has adopted the model publication scheme and policy for Local Councils.                                                                                                                                                                            | Existing procedures adequate. Monitor and report any impact of requests made under the Freedom of Information Act. |
| <b>PHYSICAL RISKS INCLUDING ASSETS AND EQUIPMENT</b> |                                                        |        |                                                                                                                                                                                                                                                                |                                                                                                                    |
| Topic                                                | Risk                                                   | H/M/L  | Management/control of risk                                                                                                                                                                                                                                     | Review/Assess/Revise                                                                                               |
| Assets                                               | Loss or damage                                         | L      | Assets are listed on the Asset Register, which is passed annually to insurance provider by the Clerk.                                                                                                                                                          | Existing procedure adequate.                                                                                       |
|                                                      | Risk to third parties/property                         | L      | Assets fully insured for Public Liability                                                                                                                                                                                                                      | Existing procedure adequate                                                                                        |
| Maintenance of assets                                | Poor performance of assets                             | L      | All repairs and relevant expenditure for these repairs are actioned and authorised in accordance with the correct procedures of the Parish Council.<br>All assets are insured and reviewed annually.<br>RoSPA annual inspection of play equipment carried out. | Existing procedure adequate.                                                                                       |
| Notice boards                                        | Risk/damage/injury to third parties<br>Roadside safety | L<br>L | Notice board locations approval by relevant parties, insurance cover. Any repairs / maintenance requirements are brought to the attention of the Parish Council.                                                                                               | Consider inspecting annually prior to the May meeting of the Council.                                              |



| Topic                        | Risk                                                                     | H/M/L            | Management/control of risk                                                                                                                                                                                                                                               | Review/Assess/Revise                                                                                                                                                                        |
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| Street furniture             | Risk/damage/injury to third parties<br>Roadside safety                   | L                | The Parish Council is responsible for various items (i.e., shelter, seats, etc) around the parish and covered by insurance. No formalised programme of inspections is carried out, but all reports of damage or faults are notified to the Council and/or dealt with.    | Consider inspecting annually prior to the May meeting of the Council.                                                                                                                       |
| Footway lights               | Risk/damage/injury to third parties<br>Roadside safety<br>Loss of supply | L<br>L<br>L      | The Parish Council is responsible for 47 footway lights across the Parish. Lights are currently maintained and supplied by Westmorland and Furness Council. All reports of damage and faults are forwarded to Westmorland and Furness Council for assessment and action. | Consider inspecting annually prior to the May meeting of the Council.<br>Potential risk due to uncertainty at Westmorland and Furness for future of footway lighting supply and maintenance |
| Trees                        | Risk/damage/injury to third parties<br>Roadside safety                   | M                | Tree inspections by a qualified arboriculturist. Recommendations are considered and actioned appropriately.                                                                                                                                                              | Consider setting a regular cycle for tree surveys.                                                                                                                                          |
| Council records – paper      | Loss through:<br>theft<br>fire<br>damage                                 | L<br>L<br>L      | The Parish Council records are stored at the Clerks address. Records include correspondence, minute books and copies, records such as insurance, salaries etc.                                                                                                           | Damage (apart from fire) and theft is unlikely and so provision adequate.                                                                                                                   |
| Council records – electronic | Loss through:<br>theft<br>fire<br>damage<br>corruption of computer       | L<br>M<br>M<br>M | The Parish Council's electronic records are stored on the Parish's laptop computer, at the Clerk's house. Back-ups of the files are taken at regular intervals, stored on an external memory stick. Files are also stored remotely on cloud storage                      | Existing procedure adequate                                                                                                                                                                 |