



GRENDON UNDERWOOD PARISH COUNCIL

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RISK ASSESSMENT POLICY

CP19.03

Authorised & Adopted: GRENDON UNDERWOOD PARISH COUNCIL
Authorisation & last review as shown in the Policy Review Record CD08A

Adopted by resolution of full Council at a properly constituted general meeting held 26th June 2018 - minute: 1806.05-1

Latest Review: 25 June 2019

CHANGE LOG	
March 2018	Legacy template tailored to GUPC requirements whilst retaining all statutory requirements.
26 th June 2018	v.2 Adopted by resolution of full Council at a properly constituted general meeting held 26 th June 2018 - minute: 1806.05-1
6 th May 2020	v.3 New format, email & web addresses

I PURPOSE

Pursuant to section 27 of the Localism Act 2011 and Financial Regulations 2015, Grendon Underwood Parish Council ('the Council') has adopted this Policy to assess risk to its ability to conduct its business lawfully.

Council recognises that risk will be inherent in anything it does. It is necessary, therefore, to set up measures to mitigate all risks as far as this is practicable such as to comply with its legal and regulatory obligations and to contribute to the effective overall management of the Parish Council.

This Policy provides the framework within which Council will effectively manage and mitigate risk and how to conduct its administrative arrangements in relation to the requirements of the relevant legislation such as to ensure the timely and efficient compliance with its obligations and to deliver its duties in regard to the expectations of the residents of the Parish.

Council has made every effort to ensure all relevant statutory requirements to which a council is subject are encompassed in this Policy but confirm that, in any event, those requirements apply whether or not they are incorporated herein.

This Policy has been drawn up within the context of the Parish Council's Freedom of Information Policy and its Data Protection Policy and every effort has been made to ensure this Policy is consistent with other Council Policies where relevant.

Definition of Risk Management: Risk is the threat that an event or action will adversely affect an organisations ability to achieve its objectives and 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.

NOTES:

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- Where the word “councillor” is used, unless the context suggests otherwise, the meaning is intended to include non-councillors, with or without voting rights, and council employees.
- A ‘co-opted member’ is a person who is not an elected member of the Council but who has been co-opted onto the Council, or a committee or sub-committee properly constituted by Council, by a majority of elected Councillors at a properly constituted meeting of Council and who is entitled to vote on any question that falls to be decided at any meeting of Council or that committee or sub-committee.
- A ‘meeting’ is a properly constituted meeting of the Council, any of its committees, sub-committees, joint committees or joint sub-committees.
- Unless otherwise expressed, a reference to a Member of the Council includes a co-opted member of the Council.
- Where gender specific wording is used, meaning is intended to be gender neutral.

II SCOPE

Following an extensive Risk Review, the following areas of risk have been identified for mitigation. The scope of this Policy covers all areas;

1. Democratic Process & Public Engagement;
2. Decision Making;
3. Asset Management;
4. Employers Responsibilities;
5. Commissioning of Goods & Services;
6. Financial Management;
7. General Business Continuity & Disaster Recovery

Note: Certain overarching actions are deemed applicable & can be considered actioned in all areas as having significant effect in reducing risk in all respects. These include:

- Council will participate in any relevant training & advice provided by B&MKALC as it becomes available;
- Council will access relevant professional services as required;
- Council will hold all relevant Bulletins and publications & circulars from B&MKALC, NALC, AVDC, BCC for reference as required;

III POLICY

(i) General

This Policy is designed to act as the record of how Grendon Underwood Parish Council has assessed the risks it faces and how it has acted to minimise them. In conducting this exercise, the following plan was followed.

- Identify the areas to be reviewed
- For each area, identify what risks are inherent and assess the likelihood of them occurring and the likely harm each would incur;
- Establish & evaluate actions for the management and control of risk;
- Review, assess, record and revise as necessary.

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- Council will hold the following reference publications as recommended by B&MKALC: The Good Councillors Guide to Finance and Transparency, NALC; Arnold-Baker on Local Council Administration, Paul Clayden; Local Councils Explained, NALC;
- Council will hold a contingency fund for the unexpected realisation of risk;
- Ensure the continuity of Council business is never subject to the availability / acceptable behaviour of any one individual.

(ii) Risk Mitigation by Risk Area

1. Democratic Process & Public Engagement

Hazard/Risk	Likelihood	Impact	Treatment/Control
Council not conforming to the following statutory requirements:	low	high	Council will participate in any relevant training provided by B&MKALC as it becomes available. Council will hold all relevant Bulletins and publications & circulars from B&MKALC, NALC, AVDC, BCC for reference as required Council will hold the following reference publications as recommended by B&MKALC: The Good Councillors Guide to Finance and Transparency, NALC; Arnold-Baker on Local Council Administration, Paul Clayden; Local Councils Explained, NALC
(a) Requirement: to hold a full election every four years			Hold a budget contingency for costs; Have due regard to ensuring Council can consistently achieve a quorum and does not exceed its maximum size;
(b) Requirement: to hold a bye-election as necessity arises			Hold a budget contingency for costs; Ensure Council is always capable of raising a quorum; Ensure Council does not exceed its maximum size; In the event of no elected representative, satisfy necessity by co-opting onto Council according to stated procedure.
(c) Requirement: to act openly transparently, diligently and conscientiously as representatives of their electorate.			Council will develop and operate in line with an approved Code of Conduct and policies for Standing Orders of Business, Financial Regulations, Risk Management, Complaints Handling, Awarding of Grants, Terms of Reference for Personnel Committee.
(d) Requirement: to hold all personal information under			Council will develop and operate in line with an approved Data Protection Policy,

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Data Protection Act conditions.			
(e) Requirement: to provide information as required under Freedom of Information legislation.			Council will develop, and operate in line with, an approved Freedom of Information Policy.
(f) Requirement: to hold at least 4 General Parish Council Meetings per year & an Annual Parish Council Meeting.			Council will approve and publish on the web site a schedule of meetings for each calendar year.
(g) Requirement: to communicate with their electorate			Council will post all statutory notices; Council will maintain at least one notice board; Council will hold regular, mandatory public meetings which will be publicised and minuted to published criteria; Council will maintain a website, with public input facility, and define roles & responsibilities for its development & maintenance. Councillors will be contactable by residents through Council email addresses on the web site
(h) Requirement: to employ a Responsible Officer (Clerk) & Responsible Financial Officer			Council will employ personnel as required by statute. Council will comply with all employment, equality & diversity legislation; Council will set up a Personnel Committee and publish its Terms of Reference on the web site. Council will formalise an employment contract identifying accountability to Council, responsibilities, expectations & duties.

2. Decision Making

Hazard/Risk	Likelihood	Impact	Treatment/Control
2.1 Unlawful decisions	Medium	High	<ul style="list-style-type: none"> a. Council will hold NALC recommended reference material and make available to Council & employees; b. Council will seek legal advice via membership of BALC for all decisions in areas not previously actioned and maintain controls set up for repeated decisions in previously actioned areas; c. Reference a statutory power for each area of activity.
2.2 Decisions unclear	Low	High	<ul style="list-style-type: none"> a. all decisions must be authorised by majority of full Council either at meetings or by auditable email threads; b. detailed draft minutes will be published for confirmation of understanding/ clarifications/ corrections within one week of meetings;
2.3 Lack of focus or priorities	Medium	High	<ul style="list-style-type: none"> a. residents will be invited to all Council and public meetings and their comments minuted for addition to agenda of following meeting; b. all email & correspondence will be brought to Council attention at each meeting; c. Councillors will submit areas of concern from or on behalf of residents for addition to Agendas.
2.4 Slow to react to outside influences.	Medium	High	<ul style="list-style-type: none"> (a) Minutes to show action items with owner & due date for subsequent monitoring; (b) Approve an “urgent response” scheme for rapid email approval/ rejection of urgent action by all Councillors (or a majority) as it arises.
2.5 Poor internal communications	Medium	High	Councillors will use ‘Council’ email addresses for all Council business and circulate within the Council intranet.

3. Asset Management

Hazard/Risk	Likelihood	Impact	Treatment/Control
3.1 Council non-compliance with statute due to:	Low	High	
(a) Physical assets unknown			Council will maintain an Asset Register to show all current & disposed of items indefinitely
(b) Asset acquisition			Carry out full risk assessment of owning an asset against renting, hiring or leasing.
(c) Asset disposal			Ensure conformity with electrical & general waste legislation; Ensure fully auditable financial outcomes.
(d) Health & Safety	Medium	High	a. Planned maintenance programme of all Council assets b. Replacement fund c. Weekly visual inspection regime d. Annual or other inspection as required by insurer
(e) Liability to public	Medium	High	Council will take out and review Public Liability Insurance at annual meetings.
(f) Loss, or degradation, of asset due to wear & tear or deliberate or accidental damage	Medium	High	Council will take out and review all equipment Insurances at annual meetings; Council will initiate a regular visual inspection regime
(g) Loss of investment income	Low	High	Council to regularly review investments performance

4. Employers Responsibilities

Hazard/Risk	Likelihood	Impact	Treatment/Control
4.1 Fail to meet statutory obligations under employment, health & safety, GDPR, equality, anti-fraud and other legislation.	Low	High	<ul style="list-style-type: none"> a. Hold all current NALC bulletins & advice; b. Take up professional services as necessary; c. Hold adequate employer insurance; d. Establish & review annually an up-to-date contract of employment; e. Set up a Personnel Committee with clear Terms of Reference, responsibilities & authorities; f. Make it a condition of employment for employees to report any illness, disability, concern or worry as soon as they become aware of it and for Council to take appropriate action as soon as practicable.
4.2 Claim for constructive dismissal	Low	High	<ul style="list-style-type: none"> a. Hold all current NALC bulletins & advice; b. Take up professional services as necessary; c. Hold adequate employer insurance; d. Set up a Personnel Committee with clear Terms of Reference, responsibilities & authorities.
4.3 Staff sickness	Low	High	<ul style="list-style-type: none"> a. Budget for contingency for statutory sick pay; b. Budget for contingency arrangements to cover duties
4.4 Clerk/RFO leaves	Low	High	<ul style="list-style-type: none"> a. Budget for contingency for statutory notice arrangements; b. Budget for contingency arrangements to cover duties

5. Commissioning the Provision of Goods & Services

Hazard/Risk	Likelihood	Impact	Risk Reduction/Control
5.1 Continuity of Council operation is put at risk due to acquisition of unacceptable goods or services due to:	Medium	High	<ul style="list-style-type: none"> • Ensure complete audit trail of the Council Supplier selection process from authorisation through contract to payment • Ensure the selection process conforms to published Council Standing Orders & procedures for transparency & independence.
(a) Supplier selection			<ul style="list-style-type: none"> • Selection & commissioning of the supplier to be executed by full Council & formally adopted no later than the next General Meeting of Council; • Use of previously approved suppliers where possible; • New suppliers to be selected according to published Standing Orders with full audit trail; • Check both new & current suppliers hold adequate insurance, have carried out a risk assessment & understand the obligations of Council under GDPR legislation; • Obtain at least two quotes; • Compare quoted prices against those obtained by neighbouring Councils • Ensure suppliers are independent of Councillors and employees; • Take up references where possible.
(b) Supplier monitoring			At least one Councillor to monitor the achievement of expected deliverables and report to Council any concerns.
(c) Supplier defaults and/or low quality of work			<ul style="list-style-type: none"> • Ensure Purchase Orders & contracts identify clear criteria for “acceptable deliverable” to include an agreed time frame; • Ensure contracts identify redress action in the event of unacceptable deliverable; • Plan for contingency action/ funding to correct any shortfall.
5.2 Council is put at risk of claim due to accident or injury caused by a supplier	Low	High	<ul style="list-style-type: none"> • Carry out full risk assessment of each commission; • Ensure Council has a valid public liability insurance in place; • Request & take copy of any Supplier insurances & risk assessment.

6. Financial Management

Hazard/Risk	Likelihood	Impact	Treatment/Control
6.1 Inadequate precept, reserves &/or balances	Low	High	Council adopts formal well-defined budget process to include spreadsheets for Cash Book & full Council Accounts to NALC, AVDC guidance.
6.2 Late precept request	Low	High	Action AVDC reminder within two working days
6.3 Inadequate records of accounts	Medium	High	<ul style="list-style-type: none"> a. Council & clerk fully understand their roles; b. All records to be held securely & processed on approved industry standard software such as MS Office 365 on Council owned, provided & maintained IT equipment; c. All record processing to be carried out at the instruction of at least two Councillors; d. Adequacy of records to be monitored by reference to current NALC guidance and use of professional services other than from the selected Internal Auditor so as not to compromise their independence.
6.4 Unacceptable routine auditing work	Low	High	<ul style="list-style-type: none"> a. Council & clerk fully understand their roles b. Appoint competent RFO, with relevant skills c.
6.5 Sudden, unexpected non-availability of RFO/Clerk or access to records.	Low	High	All records to be held securely on Council owned, provided & maintained IT equipment and held continuously available to all Councillors on the Council cloud at all times;
6.6 Inadequate internal audit	High	High	<ul style="list-style-type: none"> a. Appointment of an independent & competent professional person as internal auditor b. review appointment annually c. Internal auditor's report considered & actionable by Council.
6.7 Lack of financial control	Medium	High	<ul style="list-style-type: none"> a. Council adopts & follows Financial Regulations b. Income & expenditure for period between meetings reported at all General meetings and reviewed annually.

7. General Business Continuity & Disaster Recovery.

Hazard/Risk	Likelihood	Impact	Treatment/Control
7.1 Non-availability of IT equipment	Low	High	The only IT equipment to be used for Council business to be that owned & maintained by Council and made available to employees solely for the purpose of Council business; Hold support subscription & insurance for rapid repair or replacement;
7.2. Non-availability of Chair or key personnel	Low	High	Define a clear substitution policy and authorities for general and specific temporary continuity of Council function;
7.3. Non-availability or loss of Parish Council records.	Med	High	<ul style="list-style-type: none"> a. All IT equipment and paper records & correspondence held securely on site; b. All electronic files, documents, images and emails to be available on the Council cloud at all times. c. Council to ensure adequate antivirus, phishing & ransomware software is in place and up to date;

iii Review Management

NOTES	REVIEW / UPDATE
Insurances Public and employer liability Money and fidelity guarantee Personal Accident Slander & Libel Council owned equipment	Annually
Financial Obligations Assets Inspection – see Asset List VAT Return. Precept requested - AVDC Internal Audit – Professional Service External audit – Professional Service Budget agreed, Monitored and reported / Bank Reconciliation Payment approval procedure for cheques, DD & Standing Orders reviewed Review Banking arrangements / Financial Procedures / Financial Regulations	Annually Annually January, Annually Annual Annual Annual Meeting/ Ongoing Annual Meeting/ Ongoing Annual Meeting/ Ongoing
Administration Hold at least 4 public General Meetings per year and an Annual Meeting; Agenda & Minutes issued to time & properly numbered; All Council electronic documentation backed up to Council ‘cloud’; Correspondence held securely on site; Web site updated	To published schedule Monthly Continuous Continuous Weekly
Employers responsibilities Statutory obligation to employ a Responsible Officer (Clerk) and a Responsible Financial Officer HMRC / PAYE / NI – Professional Service Employee salary reviewed and documented – Personnel Committee Contract of employment in place and reviewed	Recruited as required Monthly Annually or at contract renewal Annually or at contract renewal
Members responsibilities Review Code of Conduct; Comply with all Representation of the People Act, Health & Safety, Employment, Equality, Anti-Fraud, GDPR & FOI legislation; Statutory Register of Interests completed and reviewed Declarations of interests minutes taken	Annually At all times Annually At each meeting