

Tarporley Parish Council - Risk Assessment – Revised Draft

To be reviewed at Council meeting on 11th March 2019

Review date [must be done at least annually]: March 2020

Note: Risk assessments are also carried out for individual projects such as the Christmas Lights Event, considering health and safety issues as well as other considerations. The Council's risks are considered according to the scale below, with the likelihood and impact scores multiplied to give the overall risk rating.

Highly likely (3)	Medium (3)	High (6)	High (9)
Possible (2)	Low (2)	Medium (4)	High (6)
Unlikely (1)	Low (1)	Low (2)	Medium (3)
	Negligible impact (1)	Moderate impact (2)	Severe impact (3)

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INSURANCE

Description of risk	Likelihood score (1-3)	Impact score (1-3)	Risk rating (H, M, L)	Response (actions taken)
Protection of physical assets owned by the authority - loss or damage to buildings, furniture, equipment, etc.	2	2	Medium (4)	TPC holds insurance with (AXA) covering: - public liability (£10m), Employers' liability (£10m), money, fidelity, property loss or damage, officials' indemnity, libel and slander (£500k), personal accident and legal expenses Insurance policy is renewed annually and approved by the Council. New services and assets are reported to the insurance company and their guidance for best practice is followed. AXA insurance policy includes disaster management crisis line and "rradar" specialist advisory service for issues facing Parish Councils, including: Employment and Human Resources; Company and Commercial; Health and Safety Compliance; Governance and Legal Duties; Environment; Risk Management. The work of the Council is becoming more complex as it develops assets such the Brook Road Outdoor Sports & Recreation space and the land on the former Royal British Legion site (car park, allotments, bowling club). Budgets, insurance scope, commercial actions etc therefore require more frequent/searching review and consideration.
Risk of damage to third party property or individuals as a consequence of the authority providing services or amenities to the public (public liability).	1	3	Medium (3)	
The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss).	1	3	Medium (3)	
Loss of cash through theft or dishonesty (fidelity guarantee).	1	3	Medium (3)	
Legal liability as a consequence of asset ownership (public liability).	2	3	High (6)	

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FINANCE

Description of risk	Likelihood score (1-3)	Impact score (1-3)	Risk rating (H, M, L)	Response (actions taken)
Adequacy of precept	1	3	Medium (3)	Risks mitigated by sound budgeting, quarterly budget reviews, and sufficient revenue reserves. The Finance Committee provides additional scrutiny.
Banking – inadequate checks or loss through theft or dishonesty	1	3	Medium (3)	The Council has Financial Regulations which set out the requirements for banking, cheques and the internal audit. No petty cash is held. A councillor inspects the bank statement/reconciliation each month and reports to the monthly meeting. An off-line check of invoices is carried out by two councillors before each monthly meeting. Full accounts and the Cashbook updated for each monthly meeting and are available for all councillors and the public to review. Payments are approved at each meeting. Regular (at least quarterly) bank reconciliations are brought to the meeting. Bank statements, the accounts file containing invoices, and the RFO's laptop are brought to Council meetings for cross-checking. The Finance Committee provides additional scrutiny.
Payroll – breach of employment laws or regulations (NI, tax, pensions)	1	3	Medium (3)	The calculation of payroll and NEST pensions is outsourced to a specialist company to minimise risk.
Annual Governance & Accountability Return – not submitted correctly or within time limits	1	3	Medium (3)	Council employs an internal auditor to report at least annually. Clerk follows guidance and timetable of external auditor. AGAR signed by the Council and internal auditor. Existing procedures adequate.
VAT – errors in claiming or recharging	1	3	Medium (3)	Existing procedures adequate for current services. Clerk has access to SLCC advisory service. Specialist advice to be sought for new services including complex projects such as Brook Road Outdoor Sports & Recreation.
Contracts – inappropriate contracts entered into	1	3	Medium (3)	Three quotes are obtained. Standing Orders and Financial Regulations govern procedures for quotes, contracts and tenders. Contractors are generally required to submit their risk assessments and public liability insurance certificates. Professional contractors are used for specialist services such as Christmas lights.

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MANAGEMENT & INTERNAL CONTROL

Description of risk	Likelihood score (1-3)	Impact score (1-3)	Risk rating (H, M, L)	Response (actions taken)
Loss to Council records - hardcopy	1	3	Medium (3)	Records kept in locked filing cabinet in Council store and archived when appropriate. Keys held by Clerk and Deputy Clerk.
Loss to Council records - electronic	1	3	Medium (3)	Records regularly backed up to Cloud storage. TPC website also acts as a backup for certain material.
Loss of service of employee	2	2	Medium (4)	Clerk or Deputy Clerk to prioritise the most urgent work. Immediately advertise.
Legal powers – illegal activity and/or working parties taking decisions	1	3	Medium (3)	All activity and payments made within the powers of the Parish Council and to be resolved and minuted. General Power of Competence in place (to be reviewed May 2020). Committees to have clear terms of reference. Financial Regulations and other recommended policies are in place.
Councillors' interests – conflicts of interests and failure to disclosure disclosable pecuniary interests	1	3	Medium (3)	Meetings include agenda item to disclose interests. Register of Members Interests form – councillors take responsibility to update their register.
Councillors and staff – bringing Council into disrepute	1	3	Medium (3)	Councillors receive and understand Code of Conduct. Staff take professional approach to all Council matters. Councillors and staff responsible for identifying training needs and undertaking training. Complaints procedures in place.
Legal changes – lack of awareness of legislation or regulation (or changes), leading to Council acting “ultra vires”	1	3	Medium (3)	Council is a member of the Cheshire Association of Local Councils. Clerk attends industry forms and is a member of the Society of Local Council Clerks. Policies and regulations are reviewed regularly.

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ASSETS

Description of risk	Likelihood score (1-3)	Impact score (1-3)	Risk rating (H, M, L)	Response (actions taken)
Loss or damage to assets	2	2	Medium (4)	Up to date asset register maintained and reported to insurance company. Items are made quickly and claims are dealt with promptly.
Cemetery – gravestone stability causing risk to the public	1	3	Medium (3)	Annual gravestone stability check carried out.
Chestnut Tree – safety of tree	1	3	Medium (3)	Annual inspection carried out and remedial work done.
Playground – damage/vandalism and risk to public safety	2	3	High (6)	Playground inspected quarterly by professional company and monthly by Deputy Clerk. Report findings acted on and remedial work done quickly. Incidents reported to police where appropriate.