



Henshaw Parish Council Risk Assessment

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Introduction and Guidance Note

Each Council should have in place a system to help it to manage risk. This system will be simple for the smallest parishes and more complex for larger parish and town councils. A council's internal auditor may use this risk management system to help to identify what tests to carry out as part of the audit.

Risk management is important. The failure to manage risks effectively can be expensive in financial terms and also in terms of service delivery. Most clerks will already be assessing and managing risks in some way or other but there may be room to improve and document existing practices.

Members are ultimately responsible for risk management because risks threaten a council's ability to achieve its objectives. The clerk should therefore ensure that members should:

- Identify the key risks facing the council
- Evaluate the potential to the council of one of these risks taking place; and
- Agree measures to avoid, reduce or control the risk or its consequence.

Every council is different and there is no such thing as a standard list of risks. There are however a number of common themes that are likely to emerge. These might include:

- Physical assets – buildings, equipment, IT hardware etc.
- Finance – banking, loss of income, petty cash etc.
- Injury to the public – in playgrounds and recreation grounds, in village halls, at burial grounds etc
- Complying with legal requirements – agendas and minutes, burial records, etc
- Councillor propriety – declarations of interest, gifts and hospitality etc

The clerk needs to consider each of the possible risks under each of the identified schemes. For example physicals assets could be lost as a result of fire or flood, damaged by vandals, stolen or simply deteriorate through lack of maintenance. All these risks can be minimised or transferred by various means such as taking out insurance, securing alarms or by regular inspection and maintenance. In addition to identifying risk, it is a good idea to make a judgement about likelihood of the risk occurring and its potential impact. Classification need be no more complicated than high, medium or low. There are three main ways of managing risk:

- Take out insurance
- Work with another party to reduce the risk; or
- Manage the risk yourself.

Set out below is the Councils risk management system for the year 2018/19.

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Henshaw Parish Council Risk Assessment and Management 2018/19

Area	Risk	Level	Control <i>(and agreed improvements)</i>
Assets	Protection of physical assets	M	Asset insured. Value to be re-assessed following review of asset register. Carry out valuation exercise in 2019/20
	Maintenance	M	Currently maintained on an ad hoc basis. Begin planned programme in 2019/20.
Finance	Banking	M	All of Council funds are secured in bank accounts.
	Risk of consequential loss of income	M	Insurance cover. Sum insured £60,000 (to cover loss of income and relocating office). Important documents backed-up and taken off premises.
	Loss of cash through theft or dishonesty	L	Cash is not handled by the Council. Financial Regulations are in place.
	Financial controls and records	M	Monthly reconciliation prepared by Clerk and reported monthly to Council. Two Member signatories and the Clerk required on all cheques. Internal and external audit.
	Comply with VAT Regulations	H	Use help line when necessary. VAT payments and claims calculated by Clerk. Internal and external auditor to provide double check.
	Sound budgeting to underlie annual precept	M	Council receive detailed budgets in the late autumn. Precept derived directly from this. Expenditure against budget reported to Council at monthly meeting.
	Complying with borrowing restrictions	L	No new borrowing likely at present
Liability	Risk to third party, property or individuals	M	Insurance in place. Open spaces checked regularly. Trees investigated when damage reported. Carry out risk assessment as part of Asset Register review.
	Legal liability as consequence of asset ownership.	H	Insurance in place. Annual inspection by ROSPA of playpark. Regular planned inspection programme to be reviewed in 2019/20
Employer Liability	Comply with Employment Law	M	Membership of various national and regional bodies including SLCC and NALC.

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	Comply with HMRC requirements	M	Regular advice from HMRC. Internal and external auditor carry out annual checks.
	Safety of Staff and visitors	M	Alarm / camera fitted to Meeting Venue. Regular H&S risk assessment checks of Village Hall particularly before public events.
Legal Liability	Ensuring activities are within legal powers	H	Clerk clarifies legal position on any new proposal. Legal advice to be sought where necessary.
	Proper and timely reporting via the Minutes	M	Council meets monthly and receives and approves Minutes of meetings held in interim. Minutes made available to press and public via the web site, email and Parish Council noticeboards.
	Proper document control	M	Leases and legal documents in Clerk's room. Key documents, deeds etc to be copied and originals stored in bank. Reduce the need to keep paper documentation by registering ownership of land and buildings with the Land Registry. Other data storage to comply with Data Protection Act. Changes needed.
Councillor propriety	Registers of Interests and gifts and hospitality in place	H	Register of interest updated and completed at each Annual Meeting.
General Data Protection Policy	Non compliance with GDPR	H	Complete new GDPR policy and supporting documents. Undertake full review of all information held. Include this as a standing Agenda item and review data as required.

This risk management paper was considered and approved by the Council at its Annual Meeting on 28 May 2019.