**Risk Management Policy Statement and**

 **Risk Assessment**

# ODA 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

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

ODAPC is aware that some risks can never be eliminated fully, and we have tried to ensure we have a strategy that provides a structured, systematic and focussed approach to managing risk.

# Approach to Risk Management

ODAPC’s approach to risk management is that we should try to identify and manage risks in the most cost-effective manner within overall resources available.

Each risk identified by ODAPC is recorded in ODAPC’s risk assessment document. The impact is assessed; control measures we feel to be appropriate are put in place together with the frequency with which the risk should be reviewed.

# Responsibility for Risk Management

ODAPC 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 ODAPC’s objectives and community needs.

This policy has the full support of ODAPC which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community. From recent experience, we already know that Council responsibility cannot be taken lightly and areas like succession planning are critical.

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

ODAPC is responsible for ensuring that this procedure is adhered to.

# This Policy and Risk Assessment will be reviewed annually in line with the Standing Orders.

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| **FINANCIAL AND GOVERNANCE** |
| **Ref** | **Topic** | **Risk** | **H/M/L** | **Management/control of risk** | **Review/Assess/Revise** |
| 1 | Precept | Adequacy of precept | M | To determine the precept amount required, the parish councilreceives monthly budget update information. Monthly budget info goes to Finance Committee with and a verbal report from committee chair.to Full Council. Budget info in report form goes to Council Quarterly The precept requirement is assessed at a finance meeting in October. Full Council approve the final budget at January meeting. | Existing procedure adequate. Due to budget/LC closure during pandemic precept may need to be increased.  |
| 2 |  | Requirements not submitted to North West Leicestershire District Council | L | North West District Council requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to NWLDC. Clerk keeps record of precept request. | Existing procedure adequateClerk to minute the precept amount |
| 3 |  | Precept not received | H | ODAPC is a ‘high risk’ authority, having, ‘low’ reserves. Precept receipt is monitored by Clerk who informs Council when the precept is received at the relevant meeting. | Reserves need to be built up for asset protection.  |
| 4 | Budgeting | Budget not prepared for next financial year | L | With information on the previous budget and actual spend against budget heads, ODAPC maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. Budget and precept setting are timetabled for meeting agenda annually in line with the Standing Orders  | Existing procedure adequate |
| 5 | Financial Records | Inadequate records | L | ODAPC has Financial Regulations which set out the requirements. These Financial Regulations are reviewed annually in line with the Standing OrdersODAPC has proven record of seeking assistance from external auditor/accountant where appropriate. | Existing procedure adequate and will continue to seek external help as needed. |
| 6 |  | Financial irregularities/Internal controls | L | The accounts are audited by an independent person each year. During the year financial reports are produced quarterly for parish council meetings by the Responsible Financial Officer (or clerk).  | Review the adequacy of internal audit and financial controls annuallyQuarterly reviews to be minuted and accounts sheet to be signed at meeting by the chair. |
| 7 | Bank and Banking | Inadequate checks Bank mistakes LossCharges | L  | ODAPC has Financial Regulations which set out the requirements for banking, cheques, and reconciliation of accounts.Any bank errors are discovered when the Clerk reconciles the bank accounts once a month when the statements arrive, and any errors are dealt with immediately by informing the bank and awaiting their correction.A sealed & signed envelope is held in the OCLC safe containing the banking password & PIN. This may only be opened by the chair in the presence of two other councillors and then reported to full council. | Existing procedure adequate. Review the Financial Regulations and bank signatory list annually in line with the Standing Orders and in the event of a change of clerk or any other extra ordinary change in circumstances, Monitor the bank statements monthly.  |
| 8 | Cash | Loss through theft or dishonesty | L | ODAPC has Financial Regulations which set out the requirements. Minimal cash received. There is no petty cash or float held by the Responsible Financial Officer (clerk). | Existing procedure adequate. Review the Financial Regulations as necessary. |
| 9 | Reporting and Auditing | Information communication | L | A monitoring statement is produced quarterly before the appropriate Council meeting and referred to all Cllrs for examination. It is then included on the agenda, discussed and approved at the meeting. This statement includes bank balance and budget concerns. Invoices are submitted monthly for approval for payments. | Existing communication procedures adequate. Agendas circulated electronically; all Members encouraged to have Email. On request paper copies are posted to those without. Mid-year internal audit check when demanded by theinternal auditor. |
| 10 | All Costs & expenses Debts | Goods not supplied but billed | L | All goods to be ordered are confirmed at Council Meetings and checked by clerk who reports back. | Existing procedure adequate. |
| 11 |  | Incorrect invoicing | L | Financial regulations set out requirement for Responsible Financial Officer checking for amounts againstdecisions/quotes etc. | Existing procedure adequate. |
| 12 |  | Cheque payable incorrect | L | Councillors check invoice list against the cheque book and associated paperwork. Cheques are rare. Two signatories on cheques. Council approves the list of requests for payment | Existing procedure adequate. |
| 13 |  Best Value Accountability | Work awarded incorrectly overspend on services |  L | Parish Council practice is to seek, if possible, more than one quotation for any substantive work required to be undertaken or goods. For major contracts services, formal competitive tenders would be sought. If a problem is encountered with a contract the clerk would need to investigate the situation, check the quotation/tender, research the problem and report to council. This is covered in the Financial Regulations. | Existing procedure adequate. Include when reviewing Financial Regulations Annually. |
| 14 |  | Unpaid invoices | L | Council Invoices are minimal. Unpaid invoices for Council goods or services are pursued and where possible, payment is obtained in advance. | Existing procedure adequate |
| 15 | Grants and support - payable | Power to pay Authorisation of Council to pay | L | All such expenditure goes through the required Council process of budgeting, approval, are minuted and listed accordingly | In all cases, invoices or receipts will be submitted to ODAPC. |
| 16 | Grants - receivable | Receipts of Grant | L | The Parish Council does not presently receive any regular grants apart from the annual precept. One-off grants would come with terms and conditions to be satisfied. | Financial Regulations and Standing Orders deal with authorisation for project expenditure and associated grant applications |
| 17 | Charges – rentals receivable | Receipt of rental | L | ODAPC does not receive direct rental payments | Existing procedure adequate. Review agreement and payable fees annually according to agreement. |
| 18 |  | Insurance implication | M | ODAPC ensures fixtures and fittings (including play equipment), and public liability. The PC insurers the play equipment and part of the insurance arrangement includes an annual inspectionODAPC is owner of Oakthorpe Leisure Centre | Responsible Financial Officer to ensure payment and copy of insurance document received. |
| 19 | Accountability | Work awardedincorrectly | L | ODAPC has rewritten its financial regulations which set out requirements for the award of contracts etc.  | Responsible Financial Officer andMembers have a duty to implement Standing Orders and FinancialRegulations.Need reviewing annually  |
| 20 |  | Overspend on services/depletion of reserves | M | Responsible Financial Officer to make recommendations on spending according to budget availability. | Members have a duty to consider budget and reserves requirements and operate within them (Financial Regulations sections 2 & 3). |
| 21 | Salaries andAssociated costs | Salary paid incorrectly,Wrong rate paidWrong deductions of NI or Tax Unpaid Tax & NI contributions toThe Inland Revenue. |  H | The Parish Council has two employees. Salary rates are assessed annually by the PC at budget setting and applied on/back to 1 April each year.Salary slips are produced by produced by the clerk, monthly. A schedule of payments to the Inland Revenue (for Tax and NI) need organising.The payments are approved at ODAPC meetings and signed off. The Tax and NI is worked by the clerk & RFO. All Tax and NI payments are submitted to the Inland Revenue monthly in advance. The Clerk, RFO & Caretaker do not keep a time sheet and has a contract of employment and job description. | Existing payment systems are adequate. Clerk being supported by RFO and training is needed to be able to produce tax and NI A confidential session, at a nominated PC meeting needs to be held to carry out an annual review.  |
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| 22 | Workplace pension | Lack of adequate provision | L | The council has recently put into place NEST pension for employees. Has to be paid monthly by councillor. If councillor is unable to – clerk can access provider | Council has to monitor and pay pension monthly. Chair identified at present to input information - monitor |
| 23 | Employees | Loss of key personnel/difficulty in retaining ClerkNot enough hours for role. | M | Clerk post would be advertised widely, with arrangements to temporarily cover Clerk responsibilities until new Clerk in place | Improve council reputation by good conduct at meetings.Consider specialist training /intervention Review Clerk’s terms and  |
|  |  |  |  |  | conditions, contract of employment |
|  |  |  |  |  | (especially hours) if requirements |
|  |  |  |  |  | change |
| 24 |  | Sudden/unexpected loss of key personnel | M | ODAPC have put measures in place to ensure that the Chairman and Vice-Chairman have access to all Parish records including email passwords, bank accounts and historical records. In the event of sudden loss of key personnel, they would take personal responsibility for day-to-day affairs.  | Council would need to convene an extraordinary council meeting to organise the next steps. and immediately start a recruitment process for the replacement personnel. |
| 25 |  | Fraud by staff | M | Cash handled by caretaker. Already acknowledged as part of annual audit process needs to be review alongside fees and charges Bank balance, statements available for inspection, checked by full council and signed by chair.BHBI Guarantee included in insurance | Existing procedure adequate. Needs reviewing during whole Leisure Centre review. |
| 26 |  | Actions undertaken by staff | M | The Responsible Financial Officer and Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. | Council membership of LRALC and will continue to attend local meetings where possible.Monitor insurance as necessary. |
| 27 | Councillorallowances | Councillors over-paid | L | A Full Council ‘Chair’ allowance is allocated. Chairman’s annual allowance paid. | Amount awarded is approved by council.Chairman uses allowance as needed.  |
| 28 | Election costs | Risk of an election cost | H | Known elections budgeted for through reserves. By-Elections have not been budgeted for. A contingency budget needs planning for in next budget.  | Councillors to monitor budget and reserves throughout the year to ensure adequate funding available if required. |
| 29 | VAT | Re-claiming/charging | L | ODAPC has Financial Regulations which set out the requirements. VAT claimed at least every 36 months | Existing procedure adequate |
| 30 | Annual Return | Submit within time limits | L | Annual Return is completed and signed by ODAPC, submitted to an internal auditor for completion and signing then checked and sent on to the External Auditor within time limit. | External assistance in place to help |
| 31 | 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. | Responsible Financial Officer andMembers have a duty to implement Standing Orders and Financial regs. |
| 32 | Minutes / Agendas / Notices / StatutoryDocuments | 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. |
| 33 |  | Business conduct | L | Business conducted at Council meetings is managed by the Chairperson. | Guidance/training to Chairperson should be given (if required). Members to adhere to Code ofConduct. |
| 34 | Membersinterests | 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 |
| 35 |  | 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. Clerk arranges for forms to be re-signedannually |
| 36 | Insurance | Adequacy | L | An annual review is undertaken of all insurance arrangements in place. Risk assessments completed as required. | Insurance policy adequate. Risk assessment in progress |
| 37 |  | Cost | L | Employers and Employee liability insurance is a necessity and must be paid for.Financial Regulations set out agreed process and requirements | Review insurance provision annually. |
| 38 | Data protection | Policy Provision | M | Councillors to approve Data Protection Policy. Policy being written.Councillors and Clerk adhere to data protection principles and legislation  | Data Protection Policy training for Clerkand Councillors to be provided as necessary |
| 39 | Freedom of Information Act | Policy Provision | M | ODAPC is open in its provision of information when requested | Model Publication Scheme updated July 2020. (Adopted August 2020) Freedom of Information Act training for Clerk and Councillors provided where feasible. |
| 40 | Councillors | Having more than 4 vacancies at any one time. | L | When a vacancy arises, there is a legal process to follow. This either leads to a bye-election or into a co-option process. An election is out of the Parish Council’s control. The co-option process begins with an advert, acceptance of applications, consideration of applicants and co-option vote at a council meeting then appointment. If there re more than 3 vacancies at any one time the council becomes inquorate. The legal process of North West Leicestershire District Council takes place.  | Existing procedures adequate.Procedures of another body are adequate. |
| 41 | Members interests | Conflict of interest / Register of Members Interests. |  | Although not a requirement, the declaring of interests by members at a meeting should be an obvious process to remind Councillors of their duty and should remain on the agenda. Registers of Members Interest forms should be reviewed regularly by councillors. | Members take responsibility to update their Register.  |

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| **PHYSICAL RISKS INCLUDING ASSETS AND EQUIPMENT** |
| **Ref** | **Topic** | **Risk** | **H/M/L** | **Management/control of risk** | **Review/Assess/Revise** |
| 1 | Assets | Loss or damage | L | Annual review of assets is undertaken for insurance provision. | Clerk to ensure current asset list is provided to insurers. Annual verification and inspection of all equipment carriedout by clerk and at least one councillor |
| 2 |  | Risk to third parties/property | L | Assets fully insured (£10m) Public Liability BHIB. Annualinspection of play equipment carried out and additional inspection, monthly, by nominated Parish Councillor. | Existing procedure adequate |
| 3 | Maintenance of assets | Poor performance of assets | L | All assets owned by the PC are reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned and authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually. | All public amenities/land owned by ODAPC to be inspected monthly by nominated councillors who will provide a verbal report, noting any required actions required. Ensure inspections and actionscarried out and recorded. |
| 4 | Notice boards | Risk/damage/injury to third parties Roadside safety | L  | Notice board locations approval by relevant parties, insurance cover. Any repairs/maintenance requirements are brought to the attention of the Parish Council.  | Boards to be inspected regularly by the Clerk/council. |
| 5 | Street furniture | Risk/damage/injury to third parties | 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 reportsof damage or faults are notified to ODAPC and/or dealt with. | Items should be inspected annually or upon report of disrepair/damage by Clerk or Councillors and recorded on grounds report. |
| 6 | Meeting location | Adequacy Health & Safety | L | The Parish Council Meetings are held at Oakthorpe Leisure Centre. The premises and the facilities are considered to be adequate by the Clerk as responsible officer for H&S. Meetings covered by insurance. | Existing location adequate. Venue Public Liability to be checked from time to time |
| 7 | Council records– paper | Loss through theftFire damage | M  | The Parish Council records are stored at the Oakthorpe Leisure Centre. Records include correspondence, minute records and copies, records such as personnel, insurance, accounts salaries etc. From July 2020 Copies of these stored electronically. Older more historical records are stored in LCC archives.  | Damage (apart from fire) and theft is unlikely, but lockable cupboard used for paperwork, for when public use room. Important documents need scanning – back up  |
| 8 | Council records- electronic | Loss through: Theft, fire, damage corruption of computer | M | The Parish Council’s present electronic records are stored on the Clerks’ computer. Back-ups of the files are taken at regular intervals onto memory sticks. Created documents are emailed to Cllrs so all documents are available to all. HR records should not be held by councillors and are only shared on a need to now basis. | The clerk Is working on creating an electronic archive. The present cloud cover stores programs and set up. This needs amending to include cloud cover for Parish Council Documents. |

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| **Oakthorpe Community Leisure Centre Risks** |
| **Ref** | **Topic** | **Risk** | **H/M/L** | **Management/control of risk** | **Review/Assess/Revise** |
| 1 | Assets | Loss or damage | L | Annual review of assets is undertaken for insurance provision. | Clerk to ensure current asset list is provided to insurers. Annual verification and inspection of all equipment carried out by clerk, caretaker and at least one councillor |
| 2 |  Risk | Risk to third parties/property | L | Assets fully insured (£10m) Public Liability BHIB. Annualinspection of play equipment carried out and additional inspection, monthly, by nominated Parish Councillor. | Existing procedure adequate |
| 3 | Maintenanceof OLC | Poor performance of assetsMUGA | M | All assets owned by the OLC are reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned and authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually.Large costs of MUGA maintenance or replacement if not maintained this asset will not be able to be used/hired out. | OLC inspected monthly by Caretaker who will provide a written report noting any required actions required. PC to look into funding options to replace MUGA/Lighting.PC to budget for repairs/maintenance |
| 4 | Lights | Cost to use flood lighting | H | Lights are only turned on when needed (usually late Oct) and turned off after session finished. Cost high to replace light bulbs and electricity. | PC looking into replacing lighting using energy efficient grants. New lighting will cut costs. |
| 5 | Litigation | Potential risk of legal action being taken against the council | L | Public liability insurance covers general personal injury claims where the council is found to be at fault, but not spurious or frivolous claims – these cannot be insured against. | Insurance is adequate. |
| 6 | Activities | Risk of financial loss | H | Activities booked, having not been financed in advance, where the user does not turn up not gives suitable warning of non-use. If finance is not secured in advance there is financial risk, which would need to be covered by the OLC/PC.  | Council to consider only accepting booking with payment up front to cover some costs.  |
| 7 | Meeting location | Adequacy Health & Safety | L | The Parish Council Meetings are held at Oakthorpe Leisure Centre. The premises and the facilities are considered to be adequate by the Clerk as responsible officer for H&S. Meetings covered by insurance. | Existing location adequate. Venue Public Liability to be checked from time to time |
| 8 | Grants - receivable | Receipts of grant | L |  The Parish Council/OLC does not presently receive any  regular grants. One off payment  | Procedure would need to be formed, if required. |
| 9. | Best Value | Centre income not covering costs  | H |  Council looks into costs and budget. Working party look  into how money can be saved. Look into alternate ways  of working the Centre to avoid being supported by the  council’s precept.  |  Council working party looking into the future of the Centre.  |
| 10 | Local/ National disaster | Major medical situation affecting Centre | L |  Create plans at time of incident to close OCLC |  Existing procedure adequate |
| 11 | Loss or part loss of services | Water, electric, Internet, flood lighting | L | Establish extent of problem, talk to provider. Depending on time of year and impact on users’ center maybe closed temporarily.Clerk may have to work from home. |  Existing procedure adequate |
| 12 | Loss of Caretaker | Not available | L |  Centre to cover post through clerk & councillors. Or  closing of Centre until situation is rectified |  Existing procedure adequate |
| 13 | Epidemic | Virus | H |  Review financial situation and take steps to ensure the  continued viability of OCLC Centre closed when instructed by government. Follow government guidelines. |  Council look at budget. Does precept need raising to support? Council to continue to look at alternatives for financial future of centre. |
| 14 | Loss or part loss of building | Water contamination problem Legionella | L |  Establish extent of problem, call contractor. Decision to  shut down if H&S risk and Inform users. Clean up plan  put into place. |  Contractor involved advise Clerk/ Council on steps forward and costings. |
| 15 | IT failure | Loss of data/ corruption | M |  Paperwork in place |  Cloud cover needed for ITCouncil looking into providers |
| 16 | Loss or part loss of building | Ground Subsidence/ mining works |  |  Risk is low but must be listed due to history of area. Structural engineer to investigate. CISWO informed and involved.  | Existing procedure adequate |

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| **Oakthorpe Playground Risks** |
| **Ref** | **Topic** | **Risk** | **H/M/L** | **Management/control of risk** | **Review/Assess/Revise** |
| 1 | Falls from Climbing Apparatus | Falls Public/users of the equipment |  L/M | Suitable grass matting for fall height is installed.Restrict and control numbers on apparatus at one time (specify the maximum number of pupils)Ensure that the equipment is appropriate for the age of usage. (Age restriction sign in place, if appropriate.).Consider segregating age groups (Specify the age if appropriate)Clear rules about appropriate behaviour (for example no balls etc.) | Condition monitored weekly |
| 2 | Playground Equipment | General injuriesfrom using theequipmentInjury from damagedequipmentTrip hazards on the approach toequipment |  L | Equipment complied with regulations at time of installation, equipment is inspected weekly.Equipment and seats inspected visually weekly and any faults dealt with/ reported to council. | ROSPA play inspection undertakenCouncil action issues highlighted. |
| 3 | Litter and glass | Minor injuries, cuts / abrasions |  L | Inspection of the area and litter pick as required | Bins emptied by NWLDC |
| 4 | Drug paraphernalia  | Needle stick injuryBlood borne viruses (HIV, Hepatitis B) | L | Inspection of the area and litter pick (identify measures for preventing needle stick injuries) | Existing procedure adequate |
| 5 | Dog faeces | Infection, Toxicariasis | L | Prevent dogs within play area by fences and gateProvide signage for No DogsInspection of the area and remove faeces | Gates to be kept shut. Long term replacement of gate for one that self closes. |
| 6 | Trees, poisonous or thorny plants | Minor injury, abrasion, allergic reaction | L | Grounds maintenance in place which includes a visual identify any foreseeable risks from falling branches etc. Identify any plants identified as being an irritant or a danger | Existing procedure adequate |

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| **Oakthorpe, Donisthorpe & Acresford Parish Council** |
| **Risk Management Policy Statement & Assessment** |
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