

Peterston Super Ely COMMUNITY COUNCIL

RISK MANAGEMENT POLICY

1. INTRODUCTION

- 1.1 The recognition and management of risk is vital to ensure the proper management of the Council's assets and resources and efficient discharge of its duties and responsibilities to the community. Risk assessment is a continuous process which the Council needs to keep under review and ensure continuous monitoring.
- 1.2 The Practitioner's Guide on Governance and Accountability requires Councils to identify risks which it faces and put in place a scheme designed to create the necessary awareness and actions required to reduce the threat or possibility of an action or event that can impact on the interests of the Council and in turn the community it serves.
- 1.3 Risk management is not a process which seeks to avoid risk completely but it seeks to identify and assess risks on an individual basis by using a scoring methodology which identifies the severity of risk, the likelihood of it occurring and the impact if the risk was realised. Although each risk will have a different score rating, each of the risks will require an assessment of actions needed to minimise the risk.
- 1.4 The Plan which is appended to this policy identifies each of the risks that are considered to require attention as the impact of each on the Council would be of concern and in some cases could be extremely serious.
- 1.5 The Plan forms part of the internal control arrangements of the Council and will be used as part of the process of audit by the Council's Internal Auditor.
- 1.6 In most of the identified areas of risk the Council's insurance arrangements will apply such as in relation to public liability, employer liability, loss of money, fidelity guarantee, property damage, official's indemnity and loss or damage to equipment. The Council's insurers do however require the Council to adopt a process of risk management so that the exposure to insured risks are minimised.

1.7 An annual review of the plan in conjunction with the Council's insurance arrangements will be undertaken at the Annual Meeting of the Council.

2. **ASSESSMENT CRITERIA**

2.1 Rating and Classification of Risks

The rating and classification that is used in the Plan is as follows:

a) **Rating**

Potential Consequence Score: 1-5

Likelihood of Happening Score: 1-5

Severity Level Score: Potential Consequence x Likelihood

b) **Classification**

1-5 Low

6-10 Medium

11-15 High

16-25 Very High

RISK MANAGEMENT PLAN

Risk Item	Risk Identified	Potential Consequence	Likelihood	Severity Score	Classification	Measures to be taken to reduce, minimise or control risk
Precept	Not submitted by Clerk	5	1	5	Low	Established budget process in place with the Finance Committee considering the draft budget in October and Council approving the budget and precept in December of each year. Clerk/RFO to notify the Unitary Authority of the precept in January each year. Financial Comparison reports to be presented to the Council every quarter enabling it to assess income and expenditure against budget headings. Bank reconciliation reports to be presented to the Council monthly basis as an additional method of Councillors assessing the state of the Council's finances.
	Inadequacy of the Precept	5	1	5	Low	
Rental Fees for Allotments	Rental fees are not received for every tenant in a timely fashion	4	1	4	Low	Clerk/RFO to invoice tenants in February as well as at intervals during the year when new tenants commence mid-term. Warning letters to be issued to tenants who fail to comply with tenancy conditions and where appropriate termination letters to be issued by the Clerk/RFO
	Tenants fail to meet conditions of tenancy agreements	3	3	9	Medium	
Loss of Money	Loss due to Fraudulent action by employees	5	1	5	Low	All payments authorised by two Councillors against invoices. All expenditure approved by Council and accounts subject to internal audit and Council scrutiny.
Reserves General	Inability to manage any unforeseen occurrences due to lack of cash flow.	4	1	4	Low	Council policy to maintain a non-earmarked reserve of between 3 and 12 month's annual budgeted sum.
Reserves Earmarked	Lack of availability of funding to meet planned commitments.	5	1	5	Low	Annual budgeting process to designate earmarked funding requirement and allocated sums to be preserved through having an adequate level of un-earmarked reserves.
Grounds Contract	Failure of contractor to meet the requirements of the	4	2	8	Medium	A detailed specification to be drawn up and jointly signed with Contractor. Regular inspections of Council sites to assess the adequacy of the performance

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	contract.					Contractor and Clerk/RFO to take up matters Contractor as appropriate.
Legal Powers	Council acting Beyond its powers e.g. ultra vires	5	1	5	Low	All decisions of the Council to be supported by the legal source of the power that is relevant. Advice of the Clerk/RFO to be available at all times.
Salaries and Wages	Salaries and wages are paid at incorrect rates	5	1	5	Low	All wages and salary levels to be determined annually and recorded in the minutes. Internal Auditor requested to check that correct rates being paid.
	Income Tax and NI not deducted and/or not paid to HMRC	5	1	5	Low	Basic PAYE Tools (RTI) used to process salary and wages payments and Clerk/RFO to deduct Tax/NI and pay to HMRC by due dates. Finance Committee to monitor salary and wages payments in accordance with budget.
Recovery of VAT	VAT not recovered from the HMRC	4	1	4	Low	Clerk/RFO to make claim for reimbursement on an annual basis. Finance Committee to monitor receipt of VAT and Internal Auditor to check claims have been made as appropriate.
Payment of Grants	Appropriate approved grant claims not submitted.	4	1	4	Low	Clerk/RFO to be responsible for processing grant claims and Finance Committee and the Internal Auditor that grant payments have been received.
Councillors Allowances	Allowances not paid In accordance with The IRPW's scheme	4	1	4	Low	Clerk/RFO to ensure that all claims are appropriately submitted with Councillors being required to complete claim forms supported by receipts as appropriate.
Training of Councillors	Councillors do not have the necessary skills and knowledge to perform their roles.	4	2	8	Medium	Council to have a Training Plan and regularly review. Council to have an annual training budget and all Councillors be required to commit themselves to appropriate training.
Availability of Staff	Main issue concerns Any long term Absence of the Clerk	5	2	10	Medium	Council to nominate one of its members to cover the essential duties on a non -remunerated basis. Access to SLCC's locum service or contact neighbouring Councils to see if cover can be provided by other serving Clerks.
Memorial Field	Inappropriate use	3	1	3	Low	Signpost in place to warn of penalties for inappropriate use.

Risk Item	Risk Identified	Potential Consequence	Likelihood	Severity Score	Classification	Measures to be taken to reduce, minimise or control risk
Play Area	Poor maintenance or unidentified damage to equipment could result in injury to users	4	2	8	Medium	Service Level agreement with Vale of Glamorgan Council who will organise regular inspections and an annual professional survey. Regular inspection reports supplied to the Clerk highlighting and repair work needed. Play equipment are suitably insured. Regular inspection by the Risk Assessment Committee.
Church yard	Inappropriate use	4	2	8	Medium	Regular inspection by the Risk Assessment Committee and corrective action taken as appropriate.
Condition of Trees	Damage caused by Falling trees and Roots causing damage to neighbouring properties.	5	3	15	High	Public liability insurance in place. Annual tree inspection by Tree Surgeon and recommendations carried out in accordance with the report.
Village Fete	Injury to volunteers And attendees	5	2	10	Medium	Village Fete Working Party in place to manage the Fete and prepare and apply a specific risk assessment plan covering matters such as use of hot water, access to the electricity generator, trailing wires etc.
Data Protection	Compliance with Data Protection Act 2018	5	2	10		Ensure that all aspects of compliance are completed, That Data Protection principles are observed and data Retention policy is implemented.
Information Security	Important Council Information held In hard copy and On computer is Lost or damaged.	5	4	20	Very High	Important hard copy data is stored in home of Clerk Data held on computer is continually backed up using provided by Orbits Solutions.
MUGA	Poor maintenance or unidentified damage to equipment could result in injury to users	5	2	10	Medium	TaSG management agreement in place for regular monitoring of the MUGA
Financial Records	Financial Records Are lost or Damaged.	5	2	10	Medium	Financial records are audited annually and files are then in the home of the Clerk. All transaction data and the cash book are maintained on Rialtas which is backed up on the computer

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Health and Safety Assessments	Activities of the Council are Risk assessed and arrangements regularly monitored.	5	2	10	Medium	The Risk Assessment Committee has responsibility for ensuring that risk assessments are prepared and regularly monitored.
Code of Conduct	Members do not Declare interests as Required.	5	3	15	High	Members to be trained in the Code of Conduct. all declarations to be completed using a designated pro-forma and the declaration of interests is to be published on the Council's website.
Welsh Language Act	The Council fails To comply with the Act.	4	3	12	High	Clerk is a fluent Welsh speaker is working with local Welsh speaking resident to expand its communication arrangements through the medium of Welsh.
Legal Claims	Claims are made in Relation to Employment matters And from members Of the public about The condition of Council amenities Resulting in injury.	5	3	15	High	Council models it's as a good employer and follows all expected standards of good employment practice. members are trained in this area. Public liability and legal expenses insurance is in place. The Council has a range of employment policies in place (e.g. grievance and disciplinary procedures).

Dated : May 2023 (To be reviewed at the Annual Meeting each year).