



### 1. Introduction

1.1 Pennington Parish Council recognises that it has a responsibility to take all reasonable and practical measures to safeguard its employees and the people it works with and the importance of risk management in order to maintain the ability to deliver the activities/ services expected of the Council. Risk management is a factor that enables the Council to satisfy its objective to deliver high quality public services.

1.2 The council is aware that some risks cannot be eliminated fully and has in place a strategy that provides a structured, systematic and focused approach to managing risk

### 2. Objectives

2.1 The objectives of the risk management policy are to:

- Integrate risk management into the culture of the council
- Manage risk in accordance with best practice and legislative requirements
- Minimise loss, disruption, injury and damages
- Inform policy and operational decisions by identifying risks and their likely impact
- Raise awareness of the need for risk management

2.2 These objectives will be achieved by:

- Identification of risk and level of risk.
- Undertaking risk assessments and reviewing them annually
- Managing the risk and recording actions
- Incorporating risk management considerations into council processes
- Providing appropriate training
- Establishing clear roles, responsibilities and reporting lines
- Effective communication with, and active involvement of, employees

### 3. Risk Management Background

Risk management is making sure informed decisions are made based upon facts and the risks identified, which typically might be those of finance and safety. The majority of risk can be eliminated if the Parish Council ensures that it operates according to all relevant rules, legislation, procedures and codes of conduct appertaining to its functioning. Strict adherence to financial disciplines and controls is of paramount importance at all times.

A risk assessment is nothing more than a careful examination of all aspects concerning a particular event/action so that an informed decision can be made knowing that unnecessary risk has been eliminated and any remaining risk together with its possible impact has been identified. For the ease of implementation and control of a risk management process there are a number of individual activities/responsibilities that can be grouped together under the following headings: -

**Physical assets** - buildings, furniture, equipment, machinery etc.

**Financial** - budgeting, financial accounting, fraud control, petty cash, supporting documentation etc.

**General Liability** - injury to individuals and third parties.

**Employer liability** - the rights of any employee are upheld.

**Legal liability** - duties of the Parish Council are executed in accordance with legal requirements

**Councillor propriety** - adherence to code of conduct, declaration of interests etc.

**Image/attitudes** - maintaining positive image and attitudes towards the Parish Council.

#### 4. Review

Risk management is reviewed on a rolling and annual basis. Deletions, amendments and additions may be made as necessary and advice from internal and external auditors, and insurance companies will be considered on receipt of reports. Monitoring of particular assets/ risks will be delegated to specific councillors/ teams.

The risk assessment and management procedures for Pennington Parish Council are outlined herein.

| <b>AREA – PHYSICAL ASSETS</b>          |  |              |  |                                    |
|--|--|--------------|--|------------------------------------|
| <b>ASSET</b>                           | <b>PARISH ROOMS</b>  |              |  |                                    |
| <b>RISK</b>                            | <b>MANAGEMENT</b>  | <b>LEVEL</b> | <b>REVIEW</b>                            | <b>OFFICER</b>                     |
| Structural loss/<br>damage             | Insurance<br>Asset register<br>Maintenance review                    | M            | Annual<br>Annual<br>Ongoing              | Clerk<br>Clerk<br>Council          |
| Financial loss/<br>damage              | Insurance<br>Asset register<br>Maintenance review                    | M            | Annual<br>Annual<br>Ongoing              | Clerk<br>Clerk<br>Council          |
| Security loss/<br>damage<br>Public use | Insurance<br>Hire agreements<br>Asset register<br>Maintenance review | M            | Annual<br>Annual<br>Annual<br>Ongoing    | Clerk<br>Clerk<br>Clerk<br>Council |
| Services/ bills                        | Monitor bills<br>Energy audit  | M            | Ongoing<br>Ongoing                       | Clerk<br>Council                   |
| <b>ASSET</b>                           | <b>SUNNYSIDE</b>   |              |  |                                    |
| Landlord                               | Maintenance review<br>Insurance                                      | M            | Ongoing<br>Annual                        | Council<br>Clerk                   |
| Structural loss/<br>damage             | Insurance<br>Maintenance review<br>Tenants report                    | M            | Annual<br>Ongoing<br>Ongoing             | Clerk<br>Council<br>Council        |
| Financial loss/<br>damage              | Insurance<br>Tenancy agreement<br>Rent review                        | M            | Annual<br>Annual<br>Annual/ as necessary | Clerk<br>Council<br>Council        |
| Security/ safety<br>loss/ damage       | Insurance<br>Maintenance review<br>Tenants report                    | M            | Annual<br>Ongoing<br>Ongoing             | Clerk<br>Council<br>Council        |
| Squatting                              | Insurance<br>Regular security checks                                 | M            | Annual<br>Ongoing                        | Clerk<br>Council                   |
| <b>ASSET</b>                           | <b>GRAZING LAND</b>  |              |  |                                    |
| Financial loss/<br>damage              | Insurance<br>Asset register  | M            | Annual<br>Annual                         | Clerk<br>Clerk                     |
| Public safety                          | Insurance<br>Regular security review                                 | M            | Annual<br>Ongoing                        | Clerk<br>Council                   |
| <b>ASSET</b>                           | <b>LOPPERGARTH CARPARK</b>   |              |  |                                    |
| Structural loss/<br>damage             | Insurance<br>Regular maintenance review<br>Asset register            | M            | Annual<br>Ongoing<br>Annual              | Clerk<br>Council<br>Clerk          |

|                                    |  |   |   |   |
|------------------------------------|--|---|---|---|
| Public safety                      | Insurance<br>Regular maintenance review  | M | Annual<br>Ongoing   | Clerk<br>Council                                    |
| <b>ASSET</b>                       | <b>ALLOTMENTS</b>  |   |   |   |
| Landlord                           | Insurance<br>Plot inspection<br>Maintenance review<br>Asset register                               | M | Annual<br>Ongoing<br>Ongoing<br>Annual                          | Clerk<br>Councillor<br>Council<br>Clerk             |
| Financial loss/<br>damage          | Tenancy agreements<br>Insurance<br>Rent review   | M | Annual<br>Annual<br>Annual/ as necessary                        | Council<br>Clerk<br>Council                         |
| Structural loss/<br>damage         | Maintenance review<br>Insurance  | M | Ongoing<br>Annual   | Council<br>Clerk                                    |
| Security loss/<br>damage           | Maintenance review<br>Insurance  | M | Ongoing<br>Annual   | Council<br>Clerk                                    |
| Public safety                      | Insurance<br>Safety review   | M | Annual<br>Ongoing   | Clerk<br>Council                                    |
| Services/ bills                    | Monitor services/ bills<br>Energy audit  | M | Ongoing<br>Ongoing  | Clerk<br>Council                                    |
| Covenant –<br>stock-proof<br>fence | Stock proof fencing  | M | Ongoing   | Councillor  |
| <b>ASSET</b>                       | <b>LOPPERGARTH PLAYGROUND</b>  |   |   |   |
| Structural loss/<br>damage         | Insurance<br>Monthly inspection report<br>Playground committee checks<br>Asset register<br>Repairs | M | Annual<br>Monthly<br>Ongoing<br>Annual<br>Ongoing/ as necessary | Clerk<br>Inspector<br>Committee<br>Clerk<br>Council |
| Public safety                      | Monthly inspections<br>Insurance   | M | Monthly<br>Annual   | Inspector<br>Clerk                                  |
| <b>ASSET</b>                       | <b>SWARTHMOOR PLAYGROUND</b>   |   |   |   |
| Structural loss/<br>damage         | Insurance<br>Monthly inspection report<br>Asset register<br>Repairs                                | M | Annual<br>Monthly<br>Annual<br>Ongoing/ as necessary            | Clerk<br>Inspector<br>Clerk<br>Council              |
| Public safety                      | Monthly inspections<br>Insurance   | M | Monthly<br>Annual   | Inspector<br>Clerk                                  |
| <b>ASSET</b>                       | <b>SWARTHMOOR BASKETBALL AREA</b>  |   |   |   |
| Structural loss/<br>damage         | Insurance<br>Monthly inspection report<br>Asset register<br>Repairs                                | M | Annual<br>Monthly<br>Annual<br>Ongoing/ as necessary            | Clerk<br>Inspector<br>Clerk<br>Council              |
| Public safety                      | Monthly inspections<br>Insurance   | M | Monthly<br>Annual   | Inspector<br>Clerk                                  |
| <b>ASSET</b>                       | <b>BUS SHELTERS – Ulverston Road, Pennington Lane Ends, Birkrigg Park</b>                          |   |   |   |
| Structural loss/<br>damage         | Insurance<br>Maintenance checks<br>Asset register<br>Repairs                                       | M | Annual<br>Ongoing<br>Annual<br>Ongoing/ as necessary            | Clerk<br>Council<br>Clerk<br>Council                |
| Public safety                      | Insurance  | M | Annual  | Clerk   |
| <b>ASSET</b>                       | <b>TELEPHONE KIOSKS – Swarthmoor, Loppergarth</b>  |   |   |   |
| Structural loss/<br>damage         | Insurance<br>Maintenance checks<br>Asset register<br>Repairs                                       | M | Annual<br>Ongoing<br>Annual<br>Ongoing/ as necessary            | Clerk<br>Council<br>Clerk<br>Council                |

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| Public safety  | Insurance   | M | Annual   | Clerk                                  |
| Services/ bills  | Monitor bills<br>Energy audit   | M | Ongoing<br>Ongoing                                   | Clerk<br>Council                       |
| <b>ASSET</b>   | <b>NOTICEBOARDS – Swarthmoor, Pennington, Loppergarth</b>   |   |  |  |
| Structural loss/<br>damage   | Insurance<br>Maintenance checks<br>Asset register<br>Repairs  | M | Annual<br>Ongoing<br>Annual<br>Ongoing/ as necessary | Clerk<br>Council<br>Clerk<br>Council   |
| Public safety  | Insurance   | M | Annual   | Clerk                                  |
| <b>ASSET</b>   | <b>BINS – Swarthmoor Park, Rufus Lane</b>   |   |  |  |
| Structural loss/<br>damage   | Insurance<br>Maintenance checks<br>Asset register<br>Repairs  | M | Annual<br>Ongoing<br>Annual<br>Ongoing/ as necessary | Clerk<br>Council<br>Clerk<br>Council   |
| Public safety  | Insurance   | M | Annual   | Clerk                                  |
| <b>ASSET</b>   | <b>MACHINERY/ EQUIPMENT</b>   |   |  |  |
| Structural loss/<br>damage   | Insurance<br>Maintenance checks<br>Asset register<br>Repairs  | M | Annual<br>Ongoing<br>Annual<br>Ongoing/ as necessary | Clerk<br>Council<br>Clerk<br>Council   |
| Security loss/<br>damage   | Insurance<br>Maintenance checks<br>Asset register<br>Repairs  | M | Annual<br>Ongoing<br>Annual<br>Ongoing/ as necessary | Clerk<br>Council<br>Clerk<br>Council   |
| Public safety  | Insurance   | M | Annual   | Clerk                                  |
| <b>AREA - FINANCIAL</b>  |   |   |  |  |
| Banking –<br>Accounting<br>errors                                      | Financial regulations<br>Mainstream banking   | M | Ongoing<br>Ongoing                                   | Council<br>Council                     |
| Cash – loss<br>through theft or<br>dishonesty                          | Insurance<br>Limited petty cash<br>Internal controls<br>Internal audit                                  | M | Annual<br>Ongoing<br>Ongoing<br>Annual               | Clerk<br>Clerk<br>Council<br>Auditor   |
| Fraud –<br>misappropriation<br>of funds,<br>reputational<br>damage     | Insurance   | M | Annual   | Clerk                                  |
| Financial Control<br>– mis-payments,<br>accounting<br>errors           | Monthly reconciliation<br>Internal control<br>Internal/ external audit<br>Regular analysis              | M | Monthly<br>Ongoing<br>Annual<br>Ongoing              | Clerk<br>Council<br>Auditor<br>Council |
| Precept/ Budget<br>– inadequate<br>cashflow,<br>reputational<br>damage | Annual budget review  | M | Annual   | Council                                |
| Reserves –<br>unable to meet<br>financial<br>commitments               | Review general reserves<br>Maintain general reserves<br>Annual provision for 4 yearly<br>election costs | M | Ongoing<br>Ongoing<br>Ongoing                        | Council<br>Council<br>Council          |
| Payroll –<br>incorrect<br>payments, fraud                              | Recognised software<br>Pay levels/ scales<br>Authorised   | M | Ongoing<br>Ongoing<br>Ongoing                        | Clerk<br>Clerk<br>Council              |

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| HMRC – Fine, reputational damage                      | Recognised software<br>Internal controls  | M | Ongoing<br>Ongoing                       | Clerk<br>Council                         |
| Grants – improper use of funds                        | S137 payments<br>Grant review<br>Grants Policy  | L | Ongoing<br>Ongoing<br>Annual             | Council<br>Council<br>Council            |
| Projects – inadequate cash flow/ income               | Project appraisal   | M | Ongoing                                  | Council                                  |
| Annual return – Fine, reputational damage             | Agreed at open meeting<br>Internal controls/ monitoring<br>Internal audit<br>External audit                       | M | Ongoing<br>Ongoing<br>Ongoing<br>Ongoing | Council<br>Council<br>Auditor<br>Auditor |
| <b>GENERAL LIABILITY</b>                              |   |   |  |  |
| Legal liability/ asset ownership, reputational damage | Insurance<br>Asset register<br>Regular asset checks   | M | Annual<br>Annual<br>Ongoing              | Clerk<br>Clerk<br>Council                |
| Compliance – fine, reputational damage                | Policies and procedures   | M | Annual                                   | Council                                  |
| <b>EMPLOYER LIABILITY</b>                             |   |   |  |  |
| Employment law – fine, reputational damage            | Membership of CALC, NALC, SLCC<br>Employer liability insurance  | M | Ongoing                                  | Council<br><br>Clerk                     |
| HMRC – fine, reputational damage                      | Regular advice/ updates from Inland Revenue<br>Internal/ external audit   | M | Ongoing                                  | Council<br>Auditors                      |
| <b>LEGAL LIABILITY</b>                                |   |   |  |  |
| Safety – damage, claims                               | Health and Safety/ Risk Assessments   | L | Ongoing                                  | Council                                  |
| Remuneration/ benefits – underpayments, fraud         | Agreed pay levels with NALC<br>Internal controls<br>Internal audit<br>Allowance                                   | L | Ongoing<br>Ongoing<br>Ongoing<br>Ongoing | Council<br>Council<br>Council<br>Council |
| Competence – errors, reputational damage              | Training  | L | Ongoing                                  | Council                                  |
| Legal powers – fine, reputational damage              | Legal references<br>Policies/ procedures<br>Membership of advisory bodies   | H | Ongoing<br>Ongoing<br>Ongoing            | Council<br>Council<br>Council            |
| Reporting/ document control – reputational damage     | Monthly meetings<br>Policy and procedure<br>Prompt access to meetings documents/ papers                           | M | Monthly<br>Ongoing<br>Ongoing            | Council<br>Council<br>Clerk              |
| Statutory requirements – policies                     | Adhere to standing orders, financial regulations, legal references, constitutional documents<br>Relevant training | M | Ongoing<br><br>Ongoing                   | Council<br><br>Council                   |

| <b>COUNCILLOR PROPERTY/ IMAGE/ATTITUDES</b>                  |  |   |         |         |
|--|--|---|---------|---------|
| Declarations – reputational damage                           | Register of interests                          | H | Annual  | Council |
| Code of Conduct – reputational damage                        | Declaration of interest at each meeting        | H | Monthly | Council |
|  | Awareness of the Nolan Principals              |   | Ongoing | Council |
|  | Awareness of public image                      |   | Ongoing | Council |
|  | Code of conduct training                       |   | Ongoing | Council |
| Communications – libel, slander, reputational damage         | Insurance                                      | H | Annual  | Clerk   |
|  | Legal opinion/ advice if necessary             |   | Ongoing | Council |
|  | Membership of advisory bodies                  |   | Ongoing | Council |
|  | Communications channelled through Clerk/ Chair |   | Ongoing | Council |
| Filing – loss of documents, breach of GDPR                   | Locked cabinets                                | H | Ongoing | Council |
|  | Appropriate facilities                         |   | Ongoing | Council |
|  | Appropriate computer software                  |   | Ongoing | Council |
|  | Appropriate back-ups                           |   | Ongoing | Council |
| Dishonesty/ corruption – financial loss, reputational damage | Fidelity insurance                             | M | Annual  | Clerk   |
|  | Annual audit                                   |   | Annual  | Auditor |
|  | Internal controls                              |   | Ongoing | Council |
|  | Register of interest                           |   | Annual  | Council |
|  | Code of Conduct                                |   | Ongoing | Council |
| Overspending – reputational damage                           | Financial procedures                           | M | Ongoing | Council |
|  | Internal control                               |   | Ongoing | Council |