

Yarnscombe Parish Council

Risk Management



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Document History

Version	Date	Author	Reason for Change
0.1	18/07/2013	Richard Pengilley	First draft.
0.2	23/07/2013	Richard Pengilley	Second draft, incorporating clerk's comments and clarification.
1.0	12/08/2013	Richard Pengilley	First formal issue, following council's approval, 24/07/2013, and updates to table A.3.
1.1	09/11/2013	Richard Pengilley	Update following completion of actions in table A.3.
2.0	26/04/2014	Richard Pengilley	Financial risk management moved to appendix and second appendix added for use of strimmer.
2.1	22/08/2018	Richard Pengilley	Financial risk management updated and third appendix added for use of lawnmower following annual review.
2.2	20/05/2019	Richard Pengilley	Updated GDPR compliance status following annual review.
2.3	15/09/2020	Richard Pengilley	Updated website reference following annual review.
2.4	08/11/2021	Richard Pengilley	Updated Financial Risks Management following annual review.

Notes

1. Use of the word "Chairman" (and similar) in this document should not be taken to assume that women are precluded from taking such a role.

Contents

1	Introduction	4
2	Definitions	4
3	Process	4
3.1	Assessment and Management	4
3.1.1	Quantification	4
3.2	Monitoring	5
A	Financial Risks	6
A.1	Assessment	6
A.1.1	Identification	6
A.1.2	Analysis	6
A.1.3	Prioritisation	7
A.2	Management	8
B	Use of Strimmer with Cord (Only)	10
B.1	Assessment	10
B.1.1	Identification	10
B.1.2	Analysis	10
B.1.3	Prioritisation	11
B.2	Management	11
C	Use of Lawnmower	13
C.1	Assessment	13
C.1.1	Identification	13
C.1.2	Analysis	13
C.1.3	Prioritisation	14
C.2	Management	14

List of Tables

1	Derivation of Impact Class from Frequency and Consequences	5
2	Significance of Impact Classes	5
A.1	Impact of Adverse Events	7
A.2	Impact Class and Priority of Identified Risks	8
A.3	Required Actions and Status of Identified Risks	9
B.1	Impact of Adverse Events	10
B.2	Impact Class and Priority of Identified Risks	11
B.3	Required Actions and Status of Identified Risks	12
C.1	Impact of Adverse Events	13
C.2	Impact Class and Priority of Identified Risks	14
C.3	Required Actions and Status of Identified Risks	15

1 Introduction

This document describes the approach to risk management within Yarnscombe Parish Council. The process is described in detail. For each entity, event or situation (one appendix in the document for each) the perceived risks are identified and the means for reducing their impact are outlined. Finally, the method for monitoring risk on an ongoing basis is described.

This document forms part of the Yarnscombe Parish Council management documentation and is freely available for reading on the Yarnscombe website:

www.yarnscombe.org.uk/council-governance.html.

2 Definitions

Risk:	the probability (a measure of uncertainty) of an ...
adverse event:	an occurrence caused by a ...
hazard:	(possible cause of harm or damage) which results in ...
harm:	to a person
or (i.e. the impact)	
damage (loss):	to an entity or asset
Benefit:	measure of harm or damage avoided

3 Process

The Yarnscombe Parish Council risk management process consists of three main steps:

1. Assessment
2. Management
3. Monitoring

These steps are described in detail below.

3.1 Assessment and Management

Risk assessment comprises the *identification* of all perceived possible adverse events in the context of the Parish Council, *analysis* of possible outcomes, including the *quantification* of such events to ascribe a numerical significance to each, and *prioritisation* to determine the order in which the risks should be managed. Since it is common to all risks, the method used for quantification is described immediately below. The remaining steps and their management are described in an appendix to this document for each entity, event or situation.

3.1.1 Quantification

In order to classify the impact of adverse events the following two tables are used. Table 1 combines the perceived frequency of an event and the consequence of the event to assign an impact class. Table 2 provides an interpretation of each impact class.

Frequency	Consequences			
	Catastrophic	Critical	Marginal	Negligible
Frequent	I	I	II	III
Likely	I	I	II	III
Occasional	I	II	III	III
Unlikely	II	II	III	III
Rare	II	II	III	IV

Table 1: Derivation of Impact Class from Frequency and Consequences

Impact Class	Interpretation
I	Intolerable.
II	Undesirable, and tolerable only if risk reduction is impracticable or if the cost of reduction would greatly exceed the improvement gained.
III	Tolerable if the cost of risk reduction would exceed the improvement gained.
IV	Negligible.

Table 2: Significance of Impact Classes

3.2 Monitoring

Risk management will be included as an item on the agenda of each successive meeting of the Parish Council until the status of every item in all the risk management tables is “Complete”, at which point this document will be reissued to indicate completion, with the Document History updated accordingly.

This document will be reviewed at each Annual Parish Council meeting and any required changes incorporated in a reissue. In addition, any parish councillor may raise a written proposal at any intermediate parish council meeting to modify or add to the document.

A Financial Risks

A.1 Assessment

A.1.1 Identification

In the 2013 risk assessment, appended to in 2017, the following possible adverse events were identified.

1. Failure to obtain precept
2. Failure of record keeping
3. Loss of financial records
4. Failure of computer equipment
5. Excessive expenditure
6. Misappropriation of funds
7. Lack of suitable insurance
8. Audit failure
9. GDPR¹ compliance failure

A.1.2 Analysis

Analysis of the harm/damage/loss that could be caused by the occurrence of the adverse events yielded the following.

¹General Data Protection Regulation

Adverse Event	Impact
Failure to obtain precept	Greatly reduced money to provide services.
Failure of record keeping	Clerk not recording accurately income and expenditure could lead to uncertainty regarding available funds, possible bank charges.
Loss of financial records	Irretrievable loss of financial data from clerk's computer could lead to uncertainty and possible bank charges, as in (2); also potential audit failure.
Failure of computer equipment	Failure of hardware or software in clerk's computer could lead to uncertainty as in (2) and delays in processing income/expenditure.
Excessive expenditure	Could lead to annual budget being compromised; if unchecked, eventually to bank charges and loss of banking relationship.
Misappropriation of funds	The clerk is the only person with direct access to the council's funds so these could, in theory, be compromised.
Lack of suitable insurance	If a claim were made against the council and insufficient insurance was in place then the council could be bankrupted.
Audit failure	Failure of the legally mandatory annual internal or external audit could result in the parish council being closed down and its powers being taken over by another local council.
GDPR compliance failure	Failure to comply with the General Data Protection Regulation could lead to an aggrieved individual taking their case to the Information Commissioner's Office, with potential subsequent fines leading to the parish council being closed down.

Table A.1: Impact of Adverse Events

The occurrence of any one of these events could also lead to the parish losing trust in the council, potentially leading to its takeover by another local council and therefore reduced ability for the parish to run its own affairs.

A.1.3 Prioritisation

Using tables 1 and 2 we can determine the benefit of avoidance of each identified adverse event by assigning an impact class for each of the events together with a priority (1 is highest) for managing the corresponding risk.

Adverse Event	Frequency	Consequence	Impact Class	Priority
Failure to obtain precept	Unlikely	Catastrophic	II	3
Failure of record keeping	Unlikely	Marginal	III	6
Loss of financial records	Occasional	Critical	II	1
Failure of computer equipment	Rare	Marginal	III	7
Excessive expenditure	Rare	Marginal	III	8
Misappropriation of funds	Rare	Critical	II	4
Lack of suitable insurance	Unlikely	Catastrophic	II	2
Audit failure	Unlikely	Negligible	III	9
GDPR compliance failure	Rare	Critical	II	5

Table A.2: Impact Class and Priority of Identified Risks

A.2 Management

The identified risks and the actions to be taken to minimise their impact will be tracked in the following table, ordered by priority.

Pri.	Adverse Event	Action	Status
1	Loss of financial records	Clerk to maintain hard-copy duplicate of financial records.	Complete
2	Lack of suitable insurance	Review article in July 2013 issue of <i>Clerks and Councils Direct</i> and check existing cover. Monitor via agenda at each Annual Parish Council Meeting.	Complete
3	Failure to obtain precept	Councillors to ensure that clerk inserts Budget in parish council meeting agenda for October each year; budget to be finally agreed at November meeting (or December meeting if held) to ensure precept request submission is made by due date in early January; submission to be checked by chairman.	Complete
4	Misappropriation of funds	All cheques to be signed by two councillors on bank signatories list. If the bank cashier does not recognise the person trying to cash a cheque then they ask the person to sign the back of the cheque and they check the account to see if a countersignature is required. Standing Orders / Direct Debits to be used only in exceptional circumstances, and to be approved as in Separation Of Duties document. Each bank statement to be reconciled by a councillor against ledger / cashbook and cheque/paying-in books.	Complete
5	GDPR compliance failure	Data Protection Officer to be appointed, to write Privacy Policies and to update parish council Data Protection Policy accordingly.	Complete
6	Failure of record keeping	Councillors to monitor spreadsheet of income and expenditure against budget issued quarterly by clerk against bank statements and known cheques countersigned.	Complete
7	Failure of computer equipment	Up-to-date offline offsite backup of data to be maintained on exchangeable medium in format that can be processed on alternative equipment.	Complete
8	Excessive expenditure	Councillors to monitor spreadsheet of income and expenditure against budget issued quarterly by clerk.	Complete
9	Audit failure	Clerk to liaise with auditor, implement recommendations and report back to council.	Complete

Table A.3: Required Actions and Status of Identified Risks

B Use of Strimmer with Cord (Only)

B.1 Assessment

B.1.1 Identification

In the risk assessment completed on 23 April 2014 by Paul Williams (the then Yarnscombe Public Rights of Way Warden) the following possible hazards to strimmer users or members of the public using rights of way were identified.

1. Fuel
2. Hand-held motorised appliance
3. Stones, dust, grit and other items that may be propelled
4. Dog excrement

The following adverse events could result from these hazards.

1. Fuel spillage
2. Vibration
3. Noise
4. Rapid propulsion of projectiles
5. Contact with excrement

B.1.2 Analysis

Analysis of the harm/damage/loss that could be caused by the occurrence of the adverse events yielded the following.

Adverse Event	Impact
Fuel spillage → skin contact	Skin irritation.
Fuel spillage → fire	Burns to operator and/or nearby agriculture/livestock, damage to buildings.
Vibration	Operator injury e.g. muscular, back strain, slips/trips.
Noise	Operator hearing damage/loss.
Projectile propulsion	Eye damage, cuts to operator or bystanders.
Contact with excrement	Infection.

Table B.1: Impact of Adverse Events

The occurrence of any one of these events could lead to the operator's or others' normal activities, including the ability to work, being impeded, causing the parish to lose trust in the council, potentially leading to its takeover by another local council and therefore reduced ability for the parish to run its own affairs.

B.1.3 Prioritisation

Using tables 1 and 2 we can determine the benefit of avoidance of each identified adverse event by assigning an impact class for each of the events together with a priority (1 is highest) for managing the corresponding risk.

Adverse Event	Frequency	Consequence	Impact Class	Priority
Fuel spillage → skin contact	Occasional	Marginal	III	5
Fuel spillage → fire	Unlikely	Critical	II	3
Vibration	Frequent	Marginal	II	4
Noise	Frequent	Critical	I	1
Projectile propulsion	Occasional	Critical	I–II	2
Contact with excrement	Occasional	Marginal	III	6

Table B.2: Impact Class and Priority of Identified Risks

B.2 Management

The identified risks and the actions to be taken to minimise their impact will be tracked in the following table, ordered by priority.

All users will have completed relevant training before embarking on strimming work on behalf of the Parish Council.

Pri.	Adverse Event	Action	Status
1	Noise	The operator must wear hearing protection and take regular breaks.	Complete
2	Projectile Propulsion	The operator must wear appropriate clothing, especially footwear, eye and face protection. Others should maintain a distance of 15 metres from the operator. The operator must make regular checks for others approaching, and must look around for stones and check for hidden obstructions while strimming.	Complete
3	Fuel spillage → fire	Fuel must be stored in an appropriate container that is clearly marked and is kept away from sources of ignition. After refuelling, the strimmer must be wiped and must be started at least two metres away from the refuelling location.	Complete
4	Vibration	The strimmer must be used in accordance with, and serviced regularly in line with, the manufacturer's guidelines. The operator must assess the area to be strimmed for uneven or flooded ground and for steep slopes. The operator must take regular breaks.	Complete
5	Fuel spillage → skin contact	Fuel must be stored in an appropriate container that is clearly marked. The operator must wear appropriate clothing, especially gloves, eye and face protection.	Complete
6	Contact with excrement	The operator must wear appropriate clothing. The operator must look around for dog excrement while strimming.	Complete

Table B.3: Required Actions and Status of Identified Risks

C Use of Lawnmower

C.1 Assessment

C.1.1 Identification

The following possible hazards to lawnmower users or members of the public using the playing field were identified.

1. Fuel
2. Motorised appliance
3. Stones, dust, grit and other items that may be propelled
4. Dog excrement

The following adverse events could result from these hazards.

1. Fuel spillage
2. Vibration
3. Noise
4. Rapid propulsion of projectiles
5. Contact with cutting blades
6. Contact with excrement

C.1.2 Analysis

Analysis of the harm/damage/loss that could be caused by the occurrence of the adverse events yielded the following.

Adverse Event	Impact
Fuel spillage → skin contact	Skin irritation.
Fuel spillage → fire	Burns to operator and/or nearby agriculture/livestock, damage to buildings.
Vibration	Operator injury e.g. muscular, back strain, slips/trips.
Noise	Operator hearing damage/loss.
Projectile propulsion	Eye damage, cuts to operator or bystanders.
Contact with cutting blades	Damage to limbs.
Contact with excrement	Infection.

Table C.1: Impact of Adverse Events

The occurrence of any one of these events could lead to the operator's or others' normal activities, including the ability to work, being impeded, causing the parish to lose trust in the council, potentially leading to its takeover by another local council and therefore reduced ability for the parish to run its own affairs.

C.1.3 Prioritisation

Using tables 1 and 2 we can determine the benefit of avoidance of each identified adverse event by assigning an impact class for each of the events together with a priority (1 is highest) for managing the corresponding risk.

Adverse Event	Frequency	Consequence	Impact Class	Priority
Fuel spillage → skin contact	Occasional	Marginal	III	6
Fuel spillage → fire	Unlikely	Critical	II	3
Vibration	Frequent	Marginal	II	5
Noise	Frequent	Critical	I	1
Projectile propulsion	Occasional	Critical	I-II	2
Contact with moving cutting blades	Unlikely	Critical	II	4
Contact with excrement	Occasional	Marginal	III	7

Table C.2: Impact Class and Priority of Identified Risks

C.2 Management

The identified risks and the actions to be taken to minimise their impact will be tracked in the following table, ordered by priority.

Mowing of the playing field is normally carried out by an external contractor who is suitably insured. All other users will have completed relevant training before embarking on mowing work on behalf of the Parish Council.

Pri.	Adverse Event	Action	Status
1	Noise	The operator must wear hearing protection and take regular breaks.	Complete
2	Projectile Propulsion	The operator must wear appropriate clothing, especially footwear, eye and face protection. Others should maintain a distance of 15 metres from the operator. The operator must make regular checks for others approaching, and must look around for stones and check for hidden obstructions while strimming.	Complete
3	Fuel spillage → fire	Fuel must be stored in an appropriate container that is clearly marked and is kept away from sources of ignition. After refuelling, the strimmer must be wiped and must be started at least two metres away from the refuelling location.	Complete
4	Contact with moving cutting blades	The operator must ensure that the mower is switched off before accessing the cutting blades, e.g. for removing grass or other obstacles or for cleaning.	Complete
5	Vibration	The strimmer must be used in accordance with, and serviced regularly in line with, the manufacturer's guidelines. The operator must assess the area to be strimmed for uneven or flooded ground and for steep slopes. The operator must take regular breaks.	Complete
6	Fuel spillage → skin contact	Fuel must be stored in an appropriate container that is clearly marked. The operator must wear appropriate clothing, especially gloves, eye and face protection.	Complete
7	Contact with excrement	The operator must wear appropriate clothing. The operator must look around for dog excrement while strimming.	Complete

Table C.3: Required Actions and Status of Identified Risks