
LANREATH
PARISH COUNCIL
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Risk Assessment

Version	Proposed	Last Reviewed	Last Approved
1	11th June 2020	16th June 2020	16th June 2020
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7	20 October 2026	20 October 2026	20 October 2026

Introduction

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. (Audit Commission – Worth the Risk: Improving Risk Management in Local Government (2001:5))

This document has been produced to enable Lanreath Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is aware that although some risks can never be eliminated fully, it has in place a strategy that provides a structured, systematic and focused approach to managing risk, which:

- Identifies the subject;

- Defines the risk:

- Identifies what the probability of the risk occurring, taking into consideration the existing management procedures in place (risk barriers)
- Identifies the likely severity of the consequences if the risk occurs taking into consideration the existing risk barriers
- Identifies the risk level as a product of the probability and consequence of the risk occurring;
- Evaluates the existing risk barriers: and
- Reviews, assesses and revises procedures to provide additional risk barriers if required.

The risk level is determined using the following Risk Matrix:

Risk Category and Probability Definitions	Consequence (1)	Consequence (2)	Consequence (3)
Risk Category Health and Safety (HSE)	Minor injury, no medical treatment required.	Injury or illness requiring medical treatment.	Permanent disability or fatality.
Risk Category Financial (F)	Financial loss <£100	Financial loss <£1000	Financial Loss >£1000
Risk Category Regulatory (Reg)	Low level regulatory breach.	Significant regulatory breach with external enquiry and/or enforcement	Major regulatory breach with legal proceedings.
Risk Category Reputation (Rep)	Minor or short-term reputational impact.	Significant or medium-term reputational impact.	Major or long-term reputational impact.
Risk Category - Operability (O)	Minor impact on operational efficiency	Significant impact on operational efficiency	Major and long-lasting impact on ability to execute statutory functions.
Probability (3) Likely – expected to occur at some time.	Medium (3)	High (6)	High (9)
Probability (2) Possible – may occur at some time.	Low (2)	Medium (4)	High (6)
Probability (1) Unlikely - not likely to occur under normal circumstances.	Low (1)	Low (2)	Medium (3)

Risk Level Definitions

High – Intolerable risk, additional risk barriers required

Medium – Tolerable risk to be actively reduced as far as practicable

Low – Acceptable risk, monitor and further reduce where practicable

Risk Table:

Category 1: Finance and Accounting

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Annual Precept	2	2 (F)	Medium (4)	Annual precept inadequate to fund council's financial obligations in current financial year.	1. Annual budget set/approved in November prior to determining precept for next financial year. Budget provides adequate contingencies and a modest but increasing General Reserve as detailed in the Council's Reserves Policy 2. Monthly review of budget 3. Bank balances reviewed at each PC meeting 4. Some incidents that may incur high unplanned costs are covered by insurance policy.	Existing barriers considered satisfactory.

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Election Costs	1	2 (F)	Low (2)	Inadequate resources for Parish Council Election occurring mid-term - £3,500 - £4,000, if contested and around £250 - £300 for an uncontested one.	Although a specific contingency is not provided in the annual budget for election costs for filling a contested casual vacancy the General Reserve has sufficient funds to cover this eventuality. Election costs for 4 yearly mandated elections provided for in the annual budget for the respective year.	If current election costs are kept under review, and the General Reserve is maintained, existing barriers considered satisfactory
Accounting	2	2 (F)	Medium (4)	Financial loss due to accounting errors / mismanagement	1. Regular bank reconciliation. 2. Annual internal audit. 3. Adherence to Council's Financial Regulations. 4. Reporting of bank statements and expenditure at Council meetings.	Existing Barriers considered satisfactory
Banking	1	2 (F)	Low (2)	Financial loss due to banking errors	1. Regular bank reconciliation. 2. Sound bookkeeping practice.	Existing barriers considered satisfactory
Payments	1	2 (F)	Low (2)	Financial loss due to incorrect payment of invoices or salaries by cheque or on-line payment	Cheques signed by 2 signatories against expenditure approved by Council. Where payments are made on line, payments are	Existing barriers considered satisfactory

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
					approved by the Council and reviewed by the Council against monthly bank reconciliations / statements.	
Area of Risk	**Risk Prob.**	**Risk Cons. (Category)**	**Risk level**	**Risk Identified**	**Management and Control of Risk – Risk barriers**	**Action or Review**
Theft	1	1 (F)	Low (1)	Financial loss due to theft or fraud both physical and on-line	1. Adequate Insurance cover maintained, including Fidelity Insurance. 2. Terms of insurance cover for Fidelity Guarantee to be maintained namely: 3. Bank Mandate to be changed and employees' password access to online banking to be cancelled immediately whenever the Clerk / RFO leaves the Council's employ. 4. The Council will inform its insurers of any additional wording included in the Council's last external audit report. 5. Dual signatories required for all cheque	Existing barriers considered adequate.

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
					payments against invoiced expenditure approved by Council. 6. Two nominated council members to be Full Power Signatories to online Bank Mandate. 7. Clerk / RFO to be a Limited Signatory to online Bank Mandate.	
VAT	2	2 (F)	Medium (4)	Financial loss due to inadequate VAT recovery	1. Annual audit and approval of accounts. 2. Any deficiency in VAT recovery can be claimed within 4 years of invoice. 3. Review of the accounts by a nominated councillor prior to internal audit to confirm appropriate VAT recovery.	Existing Barriers Considered adequate
Income Tax and NI	1	2 (F)	Low (2)	Financial loss through overpayment of PAYE or NI	1. PAYE payments managed by PAYE contractor using HMRC PAYE Online system. 2. PAYE payments reviewed and approved by council	Existing Barriers Considered adequate

Category 2: Insurance

Action or Review	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Insurance	1	3 (F)	Medium (3)	Financial loss due to inadequate insurance cover	Adequacy of cover in Policy Schedule reviewed by Council prior to annual renewal.	Existing barriers considered adequate
Insurance	2	3 (F)	High (6)	Insurance Cover invalidated by failure to adhere to Policy conditions	Clerk to review Policy conditions and submit a report to Council following annual renewal. Insurance Policy and supporting documentation provided to Councillors for review on annual renewal	Existing Barriers Considered adequate
Third party Liability	2	2 (F)	Medium (4)	Financial loss due to third party claims for personal injury or property damage	1. Adequate indemnity insurance cover maintained. 2. Exposure limited to policy excess, where applicable. 3. Schedule of cover reviewed by Council prior to annual review.	Existing Barriers Considered adequate

Category 3: Administration

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Clerk	2	2 (O)	Medium (4)	Inability to efficiently execute statutory duties and the general business of the Council due long-term illness or unavailability of the Parish Clerk	Bank mandate may be changed by 2 of three account signatories. Additional Bank Card and reader to be held by designated Councillor for use as prescribed in Annex A to the Financial Regulations. Clerk and Chair to exchange Parish Council data files, including contact lists, via password protected file storage media on a regular basis. Council may elect a councillor as acting Clerk/RFO	
Clerk and Councillors	2	2 (Reg)	Medium (4)	Inability to efficiently execute the statutory duties and the general business of the council due to inadequate training or knowledge of the Parish Clerk and / or Councillors	1. Effective hand over between Clerk appointments 2. Code of Conduct training completed by all Councillors 3. Councillors encouraged to attend training sessions offered by	Existing Barriers Considered Adequate

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
					Cornwall Council e.g. Planning 4. Clerk enrolled with SLCC for peer support and development 5. Council is a member of CALC 6. Training budget line item for Clerk and Councillors	
Documentation	1	2 (Reg)	Low (2)	Inadequate filing or retention of records leads to regulatory breach.	Adequate Clerk knowledge/training. Policy Retention Policy currently in draft form to be approved by the Council	Existing Barriers Considered adequate

Category 4: Property

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Street Furniture	2	2 (F)	Medium (4)	Damage to bins notice boards and benches etc	Exposure to excess only – otherwise insured	Existing Barriers Considered adequate
Playground Equipment	2	2 (F)	Medium (4)	Damage to playground equipment	Exposure to excess only – otherwise insured	Existing Barriers Considered adequate
Millennium Green	2	2 (F)	Medium (4)	Damage to Millennium Green building, millennium green fencing and equipment and/or defibrillator	Exposure to excess only – otherwise insured	Existing Barriers Considered adequate
Public Convenience	2	2(F)	Medium (4)	Damage to the fabric or equipment of the Lanreath village public convenience	Exposure to excess only – otherwise insured	Existing barriers considered adequate
Councillors Property	1	2 (F)	Low (2)	Damage to Councillors Property in the course of Council business	Exposure to excess only – otherwise insured	Existing barriers considered adequate
Employees Property	1	2 (F)	Low (2)	Damage to Clerk's Property in the course of Council business	Exposure to excess only – otherwise insured	Existing barriers adequate.

Category 5: Legal

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Data Protection	2	3 (F) + (Reg)	High (6)	Breach of Data Protection regulations	1. General Privacy Notice reflects current data protection legislation and reviewed annually. 2. Personal data held on password protected computers.	Existing Barriers Considered Adequate
Employment	1	3 (Reg)	Low (3)	Breach of employment law and associated regulations	Council monitors employment legislation and ensures compliance. Employers Liability Insurance in place and evidence retained as per statutory requirements as detailed in the Document Retention Policy.	Existing barriers considered adequate

Category 6: Health and Safety – Duty of Care

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Employees	1	2	Low (2)	Injury to Clerk or in the course of Council business	Fire & Safety inspections of Village Hall. Checks prior to each meetings: - Adequate safe parking and Hall access - Fire doors unobstructed - emergency lighting operational - Wheelchair accessibility confirmed - Adequate lighting, heating and ventilation available	Existing barriers considered adequate
Councillors	1	2	Low (2)	Injury to Councillors or damage to Councillors Property in the course of Council business	Fire & Safety inspections of Village Hall prior to each meeting: - Adequate safe parking and Hall access - Fire doors unobstructed - emergency lighting operational - Wheelchair accessibility confirmed - Adequate lighting, heating and ventilation available	Existing barriers considered adequate
Third Parties	2	2 (HSE)	Medium (4)	Injury or property damage to third parties from Council facilities	Nominated Councillor to regularly inspect Council facilities / assets and report at each Parish Council meeting.	

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Playground Equipment	2	2 (HSE)	Medium (4)	Injury to children and / or parents from defective playground equipment	Annual inspection by external accredited inspector and any reported deficiencies rectified Note: Insurance cover requires weekly inspections and unsafe equipment to be taken out of use	

Category 7: Information Technology

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Data	2	1 (O)	Low (2)	Loss of data necessary for the statutory and efficient operation of Council business through error, malware or hardware failures	1. Significant amount of data including accounts and meeting minutes still maintained in hard copy. 2. Council electronic data, mainly correspondence, is maintained on password accessed personal computers protected by updated anti-virus software. 3. Parish Council data files to be backed up to cloud storage or file storage media on a monthly basis by Clerk and Chair. 4. Monthly exchange of backed up electronic data by Clerk and Parish Council Chair via password protected thumb-drives	
Website	2	2 (O)	Medium (4)	Corruption or third-party manipulation of Parish Council website	Website protected by https protocol	Existing barriers considered adequate
Website	2	1 (Reg)	Low (2)	Incorrect or outdated information posted on Parish Council website	Council business section reviewed and updated monthly by Council Chairman. Community section monitored and updated by Webmaster	Existing barriers considered adequate

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Website	1	3 (Reg)	Low (3)	Website content breaches Data Privacy regulations	1. The Council's General Privacy Notice requires that written consent be obtained before any person's personal data can be uploaded to the website. 2. This is administered by the Webmaster and Clerk and records kept of written consent. 3. Restricted, password protected access to website for uploading and administration. 4. Privacy Policy posted on website that informs website visitors how the Council retains, processes, discloses and purges their data in line with the requirements of the Data Protection Act	Existing barriers considered adequate

Category 8: Conduct

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
Conflict of Interest	1	2 (Reg) + (Rep)	Low (2)	Perceived or actual partiality, collusion, or corrupt execution of decision making by Councillors due to conflict of interests.	1. Declaration of Interests completed by councillors on appointment and retained in Parish records and published on Cornwall Council website. 2. Declaration of Interest regarding issues to be discussed required at each Parish Council Meeting. 3. All councillors required to attend Code of Conduct Training. 4. Council's Code of Conduct reviewed annually and published on website.	Existing barriers considered adequate
Transparency	1	2 (Rep)	Low (2)	Decision processes, policy making and procedures for contract awards perceived to be opaque by the community and other external parties.	1. Standing Orders Financial Regulations reviewed annually and published on website. 2. Accounting documents published on website as required by the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the Transparency Code for Smaller Authorities.	Existing barriers considered adequate

Area of Risk	Risk Prob.	Risk Cons. (Category)	Risk level	Risk Identified	Management and Control of Risk – Risk barriers	Action or Review
					3. Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015 published on website.	
Conduct	1	2 (Rep)	Low (2)	Conduct of Council or individual councillors below acceptable standards for those in a public office	1. Council Code of Conduct. 2. Code of Conduct Training. 3. Council Code of Practice for handling Complaints.	Existing barriers considered adequate

Referenced Policies, Codes and Regulations

Lanreath Parish Council:

- Standing Orders
- Financial Regulations
- General Privacy Notice
- Code of Conduct
- Code of Practice for Handling Complaints
- Retention of Documents Policy

UK Government:

- Disability Discrimination Act 1995
- Disability and Equality Act 2010
- Employments Rights Act 1996
- Data Protection Act 2018
- Local Government Act 1972
- Local Government Act 2000
- Audit Commission Act 1998
- Local Government & Rating Act 1997
- Local Government Act 2003
- Local Audit and Accountability Act 2014
- Localism Act 2011
- Local Government Transparency Code 2015