

## Cringleford Parish Council Risk Assessment

### Overview – Quarter 1, April 2016

The Finance Advisory Group reviewed the risk assessment on 10 February 2016. Key points are summarised below:

- Health and safety management at the Willow Centre emerged as a potentially significant risk during 2015. Steps are being taken to put in place proper controls, with the Clerk due to undertake training in May 2016.
- A number of other important risks remained focused on The Willow Centre – including the need to agree the Centre’s strategic and financial plan and ensure that the Hub café is operating within our policy framework.
- Staffing – the past year’s high staff turnover has led to problems for both The Willow Centre and the Parish Council, with financial issues caused by confusion with banking systems and projects falling behind schedule due to the lack of a permanent clerk. Sonya Blythe has been in position as full-time Clerk since 23 November 2015 and is catching up on the outstanding projects. Andrew Harrison commenced as Administration and Marketing Coordinator from 22 February working 25 hours per week. These changes have strengthened the team. Andrew’s hours will be kept under review to ensure that the job can be completed to a high standard within that timeframe. A “zero hours” caretaker is currently being recruited for to strengthen the caretaking team, and work is underway to manage grounds maintenance staffing once we legally adopt TWC football pitch.
- A tree survey in 2015 has indicated that, of the Parish Council’s trees, 41 are in need of works with two being high risk, 9 medium risk, and 30 low risk. £5000 has been set aside within the 2016/17 budget for this but it is feared that this may not be enough. Additional tree works have also potentially been identified on Harts Lane, which was not included as part of the original survey. Investigations are being made to confirm whether the beech tree on the village green belongs to the CPC or Norfolk County Council Highways department.
- A new risk has been identified in the football pitch at The Willow Centre. The Parish Council has agreed to adopt this from developers, but doubts remain around whether it is suitable as yet for playing matches on. This raises an additional risk in terms of the cost of maintenance to the pitch including the staff hours required, with no clear indication as to when we will be able to hire it out.

## 1. Financial risk

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Inadequate income to cover budgeted services			Finance	A budget has been put in place for 2016/17 which covers all budgeted services. The possibility of unbudgeted expenses must always remain though. A more in-depth budget will be created for 2016/17 as the Clerk will have more knowledge of the forthcoming issues by then.	
2	Failure to adequately budget for required staffing levels/services			Finance RaAG	Caretaking and cleaning staff costs are a concern. A decision was made to schedule two caretakers at events of more than 100 people for safety reasons. For bookings which were taken before this decision was made the TWC is having to absorb the additional costs. Bookings taken after are being charged accordingly. When two caretakers are working late into the evening this impacts on to whether there are staff available to work the next morning. The Clerk will look into the recruitment of an additional zero hours relief caretaker for these occasions. Other staff changes require time to bed in.	
3	Willow Centre operating loss exceeding budgeted subsidy			Finance	The Willow Centre projected profit and operating expenses have been reviewed. A new Administration and Marketing Coordinator commences on 22 February who is tasked with increasing bookings. Fees and subsidies are being re-costed in comparison with other similar venues and will be taken to RAAG in May. The risk remains red until this exercise is completed.	
4	Failure of financial controls (including through employee dishonesty)			Finance	A number of existing controls have been identified which could be improved, such as how cash payments are received and banked. Work has gone into improving this system the last two months but there are ongoing concerns regarding cash payments being received from hirers and the possibility of the income not being properly recorded. The internal audit is due in April 2016 who will study internal controls and give advice where necessary.	

5	Damage to property or other loss not adequately covered by insurance			Finance	Insurance covers have been revised for The Willow Centre and the asset register has been updated. Key controls remain in place and are reassessed annually.	
6	Council budget is based on implicit assumptions which may prove to be incorrect			Finance	The nature of the Council's business is evolving. The budget was updated by the Clerk and a previous councillor as much as possible but some assumptions may no longer be correct. Finance Group to consider underlying assumptions during Q2 to allow for accurate budget setting for 2017/18.	
7	Committed sums / CIL money not being spent on time.			Finance	Money received for housing developments had previously not been logged properly and records had not been kept advising when funds should be spent by. The Clerk has now created an updated spreadsheet displaying this. Remains a low risk as we need to ensure that money is spent within the correct time, with accompanying records, as otherwise developers can request excess back.	
8	A large number of trees within the parish need works for which there may not be enough budget.			Finance / RaAG	A tree survey in 2015 has indicated that, 41 are in need of works with two being high risk, 9 medium risk, and 30 low risk. Since then complaints have been received regarding additional trees which need to be considered. £5000 has been set aside within the 2016/17 budget for trees. There is a risk of this being overspent. The dangers posed by the recommended work not being carried out is also a health and safety risk. Tests have shown that the beech tree on the village agree	
9	*NEW RISK* A lack of long-term financial planning including an equipment and building "sink fund"			FAG	A detailed five-year plan and a longer term 25-year plan are required in order to fully understand future costs the council may face and to budget accordingly for them. This work to be commenced in summer 2016 to be fed into the budget setting process.	

## 2. People risk

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Councillors.			Council	Cringleford Council was an uncontested election in May, and eight councillors were re-elected, with subsequent changes since then. We have advertised the remaining	

					vacancies in the newsletter. The Council has sufficient committed members to continue, although more pressure is being placed on those who are in place with sitting on additional advisory groups in the meantime.	
2	Lack of contingency plans for key staff illness or departure			Staff / RaAG	A full time clerk is now in post with a part-time administrative coordinator who open up the centre daily. A possible risk revolves around one person being on leave and the other calling in sick as the centre would not be opened up for morning hirers unless a caretaker would be contacted. Investigation into more councillors being key holders for an emergency situation will be discussed.	
3	Gaps in staff resources or skills			Staff	This risk is evolving due to two new members of staff within the office. The true extent of any staff resource or skills gaps will only become clearer over time.	
4	Low staff morale impacting performance			Staff	Immediate issues have been negated since the last risk register. There is some uncertainty around the second groundsman's position as council is considering contracting verge cutting out.	
5	*NEW RISK* Loss of knowledge.			Council	Risk of councillors and staff leaving the council, or being on long-term sick leave and taking knowledge with them. A long term strategy including the clerk writing an operations manual will be considered. The clerk needs to lead on all projects to ensure overall visibility of all that is going on.	

### 3. Strategic and environmental risk

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Loss of amenity for Cringleford residents though new housing developments not complying with NDP, or detrimental Thickthorn development			Planning	Landfund have been granted their planning appeal meaning that housing will be developed within the parish in excess of the NDP. The overall risk of housing numbers and net density in excess of NDP limits remains high though there seems little that CPC can do about it.	

2	Fragmentation of Parish into separate areas, eg original village, Roundhouse Park, new Barratts/Land Fund developments etc			Planning Recreation	This risk is currently focused on the potential divide between the original village and Round House Park. The Willow Centre is a bridge between the two communities and it is hoped that the Hub café will bring people together. This risk is hopefully moving towards green. However, there will in future be similar challenges in integrating the Barratts/Land Fund developments. Risk is highly subjective and hard to quantify.	
3	Lack of clear strategy for the Willow Centre			Recreation	A vision statement / action plan has been written by the Chairman Strategy which set out an evolving Willow Centre business plan. The Administration and Marketing coordinator will be asked to update this.	
4	Failure to implement Willow Centre strategy			Recreation	Execution of strategy will be monitored by the RAAG	
5	Lack of clear strategy for requirements for next phase of Cringleford housing development			Planning	CNDP Infrastructure Delivery Programme 2013-2026 is in place. However, we need to act quickly to get more detailed plans in place for CIL expenditure, eg for new pavilion building.  Some of our CIL moneys may be earmarked for Thickthorn improvements. There is also a new risk, in that if we do not allocate CIL moneys for infrastructure projects within an allocated timescale, SNC can reclaim the funds. The lack of cooperation between Barratts and Land Fund has resulted in sub optimal proposals for the new playing field which do not meet our requirements.	
6	Noise from Willow Centre			Recreation	Complaints from local residents about noise from The Willow Centre, and allegations that we are breaching planning conditions and/or entertainments licence. We do not believe that there is a serious noise issue - it is several months since a complaint has been received and Environmental Health took the complaint no further. A complaints procedure has been put into place.	

#### 4. Business continuity risk

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Lack of clear and workable business continuity plan			Finance	<p>A business continuity plan has been drawn up and accepted by councillors and measures have been improved such as emergency staff contact numbers have been circulated.</p> <p>However, this piece of work needs to be progressed, and the risk has been rated red to reflect lack of progress to date.</p> <p>Recent events have also highlighted the need to have additional sets of keys, access to passwords and more local keyholders, to be incorporated into the policy. Council will be approached in May regarding all councillors becoming key holders.</p>	
2	Failure to execute plan, eg by keeping data back ups in separate locations			Finance	Changes have been adopted, however this remains closely monitored until the business continuity plan is fully implemented.	
3	*NEW RISK* Disaster recovery			Finance	<p>An IT disaster recovery plan has been carried out with all council files now being stored in "the cloud".</p> <p>As well as providing much needed back-up, in the event of a major catastrophe such as a fire within the building, this gives staff the ability to work from home and remain operational.</p>	
4	*NEW RISK* Adverse weather affecting staff.			Council	<p>Linked with several risks above (2.2, 2.5, 4.1) relating to staff being unable to get to work due to sickness or other unexpected absence, and the centre not being opened for hirers. Councillors becoming key holders for emergency situations, if agreed, should alleviate this problem.</p> <p>The new IT system means that in such an event work can be carried out at home to maintain business continuity.</p>	

## 5. Loss or damage to Council assets

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Deterioration of Oakfields Road Pavilion and sporting facilities	Yellow	Red	Recreation Finance	Maintenance work has not yet commenced. Quotes are being sought for inside the Pavilion and the playground.	Yellow
2	Developers do not fulfil their obligations to make good The Willow Centre defects	Red	Green	Recreation	Remedial work has been done, though not always as effectively or efficiently as we would wish. The retention period is up. Funds are still held in escrow	Green
3	The Willow Centre football pitch	Yellow	Red	Recreation	It is the opinion of the groundsman that the field is not playable and won't be for the 2016/17 season. In January 2016 CPC agreed to accept the field and are awaiting the transfer with associated commuted funds. Use of the field must then be decided. In the meantime there will be expenditure on the field from the groundsman maintaining the pitch in both salary and required products. A fence will need to be installed around the perimeter before sports can take place. Some income from the field was included within the 2016/17 budget which may also be a loss.	Yellow
4	Developers do not fulfil other s106 obligations	Yellow	Green	Recreation	CPC still has not taken over landscaping and ongoing maintenance (was expected August 2015). A maintenance agreement has been signed for when CPC takes over maintenance of green spaces for a commuted sum of £400k (sum tied into football field in risk above).	Green
5	*NEW RISK* Potential damage to council property.	Green	Yellow	Recreation	In the past this has not been a major issue but is worth bearing in mind. In TWC there is constant CCTV recording and a caretaker on site. All hirers are asked to sign a contract which has a section on damage. Damage deposit cheques are taken and shredded after the event. In addition new "sign off" forms have been created for parties which caretaker and hirers sign to confirm the room has been left in good condition. As a response to a recent recommendation from the SLCC bouncy castle disclaimer forms are now used which hirers who bring bouncy castles have to sign.	Green

					For the Pavilion, a contract is signed and damage deposit cheques are taken as above. As staff are not based on site the additional measures cannot be taken. Currently RAAG are considering CCTV quotes to protect the building the new storage containers.	
--	--	--	--	--	--	--

## 6. Health and safety risk

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Failure to have and apply clear and effective H&S policy and train all staff			Recreation	<p>The current health and safety policy is outdated and not adequate. Heidi Frary attended a H&amp;S training course in but left before a new one could be written. The new clerk will attend the same course in May with a new policy being written by the end of June.</p> <p>A risk assessment and H&amp;S policy have been put in place for the groundsman shed at the recreation ground. Similar assessments will be carried out for TWC once the above training has been undertaken, within the same timescale.</p>	
2	Failure to take adequate steps to protect members of the public using council property			Recreation	<p>Whole area needs review as part of the H&amp;S work underway. Specific issues exist including:</p> <ul style="list-style-type: none"> <li>• Whether Cringleford Hub's policies on child protection , food hygiene etc are fit for purpose and at least equivalent to the Council's own.</li> <li>• Arrangements at the Pavilion and recreation ground. For example, should the PC have some arrangements to monitor the peak weekend sessions at the recreation ground, where there have been instances of anti social behaviour? Should any signs be put up to mitigate the risk of someone getting knocked over by a car on the track leading to the car park? Possibly the football club should be asked to provide a warden.</li> <li>• RAAG will be asked to look at this risk in their May meeting.</li> </ul>	

## 7. Legal risk

	Risk	Impact	Prob	Advisory Group	Status	Importance
1	Failure to ensure that legal agreements adequately protect the Council's interests			Recreation	The Willow Centre and Pavilion hire agreements have recently been reviewed and issued to all hirers.  At present, key council documents can only be kept in the small safe, or in a filing cabinet which is not very secure nor fire proof. The possibility of small fireproof document safe should be investigated.	
2	Failure to ensure that new CIL adequately provides for the amenities required by the Parish			Planning	CNDP Infrastructure Delivery Programme 2013-2026 in place. FAG to agree priorities for CIL money bearing in mind the claw-back rules.  The clerk has created a spreadsheet showing the outstanding CIL / S106 money and when it needs to be spent by. More detailed work and possibly a parish consultation are required on how to spend the bulk.	
3	Failure to monitor changes in the law impacting the Council's business			Finance	Established processes in place. The clerk will attend all relevant sessions ran by NALC and the SLCC and study the regular newsletter which contain legal information.	
4	Failure to have adequate processes in place to fulfil the Council's legal obligations eg under Data Protection Act, Freedom Of Information Act et			Finance	Established processes in place. These are regularly monitored by the clerk	

## 8. Other Risks

	Risk	Impact	Prob	Advisory Group	Status	Importance
--	------	--------	------	----------------	--------	------------

1	*NEW RISK* Failure to manage events appropriately and protect the council's reputation.			Recreation	<p>This is a new risk which encompasses the following, whilst following the parish council's new direction in organising events.</p> <ul style="list-style-type: none"> <li>• Public opinion – ensuring that public money is being spent appropriately.</li> <li>• Bad publicity – ensuring that events are well managed to reflect the high standards and integrity of the parish council</li> <li>• A clear budget must be put in place for FAG and the clerk to monitor costs</li> <li>• Thorough risk assessments must be carried out</li> </ul>	
---	---	--	--	------------	--	--

**Appendix 1 - Key**

Risks are rated according to their **Impact** and **probability** using the following measures

**Impact**

<b>High</b>	Loss of £10k or above. Major disruption to operations [i.e. 6 months or more] Significant reputational damage e.g. critical coverage in local or national press Physical injury to staff or member of public Criminal prosecution Material loss of amenity to Cringleford residents
<b>Medium</b>	Loss of £1 – 10k Moderate operational disruption [up to 6 months?] Moderate reputational damage, eg handful of complaining letters to local press
<b>Low</b>	Loss <£1k.

**Probability**

<b>High</b>	Likely to occur in next 12 months
<b>Medium</b>	Possible to occur within 3 yrs
<b>Low</b>	Unlikely to occur in next 3 - 10 yrs

**Importance**

The importance rating is based on a blend of impact and probability. This is not an exact science, but broadly speaking 'red' risks should be firmly on the radar of the council, and driving the agendas of the relevant advisory group.

<b>Significant</b>	Risk mitigation plan should be in place. Risk should be a standing agenda item on a PC advisory committee, and regularly reported to Council meetings
<b>Moderate</b>	Risk should be kept on the radar of relevant advisory group. Any material changes in risk profile should be reported to appropriate advisory group
<b>Low</b>	Any material changes in risk profile should be reported to appropriate advisory group

## Appendix 2 - Background

**“The greatest risk facing a local authority is not being able to deliver the activity or services expected of the Council.”**

Risk is simply the price of being in business. All organisations face risk, although risk profiles will vary significantly depending on organisational size, sector etc. **Risk assessment** is the process of periodically reviewing working processes, controls, people skills and resources and environmental factors to identify potential risks and assess these in terms of impact, probability and overall importance. **Risk management** is what you do to control these risks, as far as it lies within your power. As a matter of good corporate governance, an organisation should be able to demonstrate that its governing body (in our case the Council) is familiar with and agrees the risk profile, and that all reasonable steps are being taken to monitor and manage the most important risks.

**Some common pitfalls** of risk management include:

- Placing too much reliance on process alone. For an organisation of our size and nature it is important to have systematic approach, but risk assessment also relies on gut feel and common sense.
- Confusing risk assessment with risk management. The work does not end once the risk assessment has been signed off. What matters most is how we manage our most significant risks,
- Viewing risk assessment as a once a year exercise. The Parish Council and its advisory groups should be regularly monitoring the most significant risks, and the profile should be updated as things change during the year.
- ‘Sanitising’ risk profiles so that everything appears green when it isn’t. Good risk management relies on being honest about risks and being prepared to talk about the worst-case scenario.
- Mistaking financial control for risk management. Robust and well-documented financial controls are vital for any organisation, and critical for us given that we are managing public money. Failure of financial control is an obvious and major risk category. However, risk management is much broader than financial control.