

## **Horton Parish Council**

### **Risk Management Policy Statement and Risk Assessment**

#### **Horton Parish Council – Risk Management Policy Statement**

##### **Definition of Risk Management**

Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. 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.

##### **Risk Policy Statement**

Horton Parish Council, hereafter referred to as HPC recognises that it has a responsibility to manage risks effectively in order to protect its Councillors, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

HPC is aware that some risks can never be eliminated fully and we have tried to ensure we have a strategy that provides a structured, systematic and focussed approach to managing risk.

##### **Approach to Risk Management**

HPC's approach to risk management is that we should try to identify and manage risks in the most cost effective manner within overall resources available.

Each risk identified by HPC is recorded in HPC's risk assessment document. The impact is assessed; control measures we feel to be appropriate are put in place together with the frequency with which the risk should be reviewed.

### **Responsibility for Risk Management**

HPC recognises that it is the responsibility of all councillors and the clerk as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to front line service provision and to the meeting of HPC's objectives and community needs.

This policy has the full support of HPC which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community. From recent experience, we already know that Council responsibility cannot be taken lightly and areas like succession planning are critical.

The co-operation and commitment of all members of HPC and clerk as an employee is required to ensure that council resources are not wasted as a result of uncontrolled risk.

HPC is responsible for ensuring that this procedure is adhered to.

### **Computerised Risk Management**

HPC has considered the acquisition of Risk Management software for the control and reporting of risks. However, following recommendations from the Royal Borough of Windsor and Maidenhead's Head of Communities, Enforcement and Partnerships Communities Directorate, the decision was taken that rather than spend Parish funds, the relevant content should be included in the Risk Management Policy.

**This Policy and Risk Assessment will be reviewed annually in line with the Standing Order Calendar.**

<b>FINANCIAL AND GOVERNANCE</b>					
<b>Ref</b>	<b>Topic</b>	<b>Risk</b>	<b>H/M/L</b>	<b>Management/control of risk</b>	<b>Review/Assess/Revise</b>
1	Precept	Adequacy of precept	L	To determine the precept amount required, the Parish Council receives monthly budget update information. The precept requirement is assessed at a budget meeting in November	Existing procedure adequate
2		Requirements not submitted to RBWM Council	L	RBWM requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to the RBWM Council. Clerk keeps record of precept request.	Existing procedure adequate
3		Precept not received	L	HPC is a 'low risk' authority, having low costs and some reserves. Precept receipt is monitored by Clerk who informs Council when the precept is received at the relevant meeting.	Existing procedure adequate
4	Budgeting	Budget not prepared for next financial year	L	With information on the previous budget and actual spend against budget heads, HPC maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. Budget and precept setting are timetabled for meeting agenda annually in line with the Standing Order Calendar	Existing procedure adequate
5	Financial Records	Inadequate records	L	HPC has Financial Regulations which set out the requirements. These Financial Regulations are reviewed annually in line with the Standing Order Calendar. HPC has proven record of seeking assistance from external auditor/accountant where appropriate.	Existing procedure adequate and will continue to seek external help as needed.
6		Financial	L	The accounts are audited by an independent person each year. During the year financial reports are produced	Review the adequacy of internal audit and financial controls annually

		irregularities/Internal controls		quarterly for parish council meeting by the Responsible Financial Officer (or clerk). Additionally a sub-committee has been appointed by HPC to undertake quarterly reviews of the accounts and report back to HPC. The people raising cheques (RFO & clerk) are not cheque signatories	
7	Bank and Banking	Inadequate checks Bank mistakes Loss Charges	L L L L	HPC has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. Any bank errors are discovered when the Clerk reconciles the bank accounts once a month when the statements arrive and any errors are dealt with immediately by informing the bank and awaiting their correction. Additionally a sub-committee has been appointed by HPC to undertake quarterly reviews of the accounts and report back to HPC.	Existing procedure adequate. Process in progress to add more signatories. Review the Financial Regulations and bank signatory list annually in line with the Standing Order Calendar and in the event of a change of clerk or any other extra ordinary change in circumstances, Monitor the bank statements monthly. Sub-committee to monitor quarterly,
8	Cash	Loss through theft or dishonesty	L	HPC has Financial Regulations which set out the requirements. Minimal cash received. There is no petty cash or float held by the Responsible Financial Officer (clerk).	Existing procedure adequate. Review the Financial Regulations as necessary.
9	Reporting and Auditing	Information communication	L	A monitoring statement is produced quarterly before the appropriate Council meeting, and referred initially to Cllrs Cole & Rayner for examination. It is then included on the agenda, discussed and approved at the meeting. This statement includes, bank balance and budget update. Invoices are submitted monthly for approval for payments. In the event of receipts other than precept from the	Existing communication procedures adequate. Agendas circulated electronically, all Members encouraged to have Email. Paper copies are posted to those without Mid-year internal audit check when demanded by the internal auditor

				borough they will be included in the agenda.	
10	All Costs & expenses Debts	Goods not supplied but billed	L	All goods to be ordered are confirmed at Council Meetings and checked by clerk who reports back.	Existing procedure adequate.
11		Incorrect invoicing	L	Financial regulations set out requirement for Responsible Financial Officer checking for amounts against decisions/quotes etc.	Existing procedure adequate.
12		Cheque payable incorrect	L	Councillors check invoice book against the cheque book and associated paperwork. Two signatories on cheques. Council approves the list of requests for payment	Existing procedure adequate. A sub-committee has been appointed by HPC to undertake quarterly reviews of the accounts and report back to HPC.
13		Loss of stock	L	HPC has no stock.	Review the Financial Regulations as necessary.
14		Unpaid invoices	L	Council Invoices are minimal /rare. Unpaid invoices for Council goods or services are pursued and where possible, payment is obtained in advance.	Existing procedure adequate
15	Grants and support - payable	Power to pay Authorisation of Council to pay	L	<p>All such expenditure goes through the required Council process of budgeting, approval, are minuted and listed accordingly. <i>In addition, a policy is being put to the council to award an annual discretionary grant of £100 to the Chairman for extraordinary payments deemed appropriate by her.</i></p> <p><i>Previously a grant of £3000pa was agreed to be paid to Champney Hall Management Committee (£2000 for repairs and £1000 towards insurance. This has not been paid in recent years and needs to be raised at HPC meeting</i></p>	In all cases, invoices or receipts will be submitted to HPC.

16	Grants - receivable	Receipts of Grant	L	The Parish Council does not presently receive any regular grants apart from the annual precept and compensating grant. One-off grants would come with terms and conditions to be satisfied.	Financial Regulations and Standing Orders deal with authorisation for project expenditure and associated grant applications
17	Charges – rentals receivable	Receipt of rental	L	HPC does not receive direct rental payments	Existing procedure adequate. Review agreement and payable fees annually according to agreement.
18		Insurance implication	M	Grantees arrange own insurance. The PC only insures the land & buildings used according to agreement. The PC insures the play equipment and part of the insurance arrangement includes an annual inspection  HPC is a trustee of Champney Hall	Responsible Financial Officer to ensure payment and copy of insurance document received.
19	Accountability	Work awarded incorrectly	L	HPC is rewriting its financial regulations which set out requirements for the award of contracts etc	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations.
20		Overspend on services/depletion of reserves	M	Responsible Financial Officer to make recommendations on spending according to budget availability.	Members have a duty to consider budget and reserves requirements and operate within them (Financial Regulations sections 2 & 3).
21	Salaries and associated costs	Salary paid incorrectly, Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the	L L L L	The Parish Council has two employees. Salary rates are assessed annually by the PC at budget setting and applied on 1 April each year. Salary analysis and slips are produced by external service 'MyController' monthly together with a schedule of payments to the Inland Revenue (for Tax and NI). The payments are approved at HPC meetings and signed	Existing appointment and payment systems for employees are adequate.

		Inland Revenue		off. The Tax and NI is worked by MyController and a calculation form is emailed each month. All Tax and NI payments are submitted to the Inland Revenue monthly in advance. The Clerk does not keep a time sheet and has a contract of employment and job description.	
22	Workplace pension	Lack of adequate provision	L	Both current employees have opted out of the Government's workplace pension scheme.	
23	Employees	Loss of key personnel/difficulty in retaining Clerk Not enough hours for role	M	Clerk post would be advertised widely, with arrangements to temporarily cover Clerk responsibilities until new Clerk in place	Improve council reputation by good conduct at meetings. Consider specialist training / intervention Review Clerk's terms and conditions, contract of employment (especially hours) if requirements change
24		Sudden/unexpected loss of key personnel	H	HPC have put measures in place to ensure that the Chairman and Vice-Chairman have access to all Parish records including email passwords, bank accounts and historical records. In the event of sudden loss of key personnel, they would take personal responsibility for day-to-day affairs and immediately start a recruitment process for the replacement personnel.	
25		Fraud by staff	L	No cash handled. 2 councillors sign cheques. Bank balances reported quarterly, statements available for inspection, checked and signed by two councillors. Fidelity Guarantee included in insurance (£250,000)	Existing procedure adequate.
26		Actions undertaken by staff	L	The Responsible Financial Officer and Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Council membership of the BALC and will continue to attend local network meetings where possible.

					Monitor insurance as necessary.
27	Councillor allowances	Councillors over-paid	L	No allowances are allocated to Parish Councillors	No procedure required
28	Election costs	Risk of an election cost	L	Known elections budgeted for through reserves. By-Elections to be provided from contingency budget	Councillors to monitor budget and reserves throughout the year to ensure adequate funding available if required.
29	VAT	Re-claiming/charging	L	HPC has Financial Regulations which set out the requirements. VAT claimed at least every 6 months	Existing procedure adequate
30	Annual Return	Submit within time limits	L	Annual Return is completed and signed by HPC, submitted to an internal auditor for completion and signing then checked and sent on to the External Auditor within time limit.	This is being addressed following tardy returns for 2016/17. External assistance in place to help us bring all Returns etc in line with regulations.
31	Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council Meetings.	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations.
32	Minutes / Agendas / Notices / Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements.	Existing procedure adequate.
33		Business conduct	L	Business conducted at Council meetings is managed by the Chairperson.	Guidance/training to Chairperson should be given (if required) – available per CALC. Members to adhere to Code of Conduct.
34	Members	Conflict of interest	L	The declaring of interests by members at a meeting	Existing procedure adequate



	interests			reminds Councillors of their duty and should remain on the agenda.	
35		Register of Members interests	M	There are criminal penalties now deterring non-completion of Registers or declarations. Councillors received training Dec 2012	Members have a duty to update their individual Register of Interests.
36	Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal in June) of all insurance arrangements in place. Risk assessments completed as required	Insurance policy adequate. Risk assessment in progress
37		Cost	L	Employers and Employee liability insurance is a necessity and must be paid for. Financial Regulations set out agreed process and requirements	Review insurance provision annually.
38	Data protection	Policy Provision	M	Councillors sign Data Protection Act 1998 agreement. Councillors and Clerk adhere to data protection principles and legislation	Data Protection Policy training for Clerk and Councillors provided as necessary
39	Freedom of Information Act	Policy Provision	M	HPC is open in its provision of information when requested	Model Publication Scheme updated January 2015 and Freedom of Information Act training for Clerk and Councillors provided where feasible.

### PHYSICAL RISKS INCLUDING ASSETS AND EQUIPMENT

Ref	Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
1	Assets	Loss or damage	L	Annual review of assets is undertaken for insurance provision.	Clerk to ensure current asset list is provided to insurers. Annual verification and inspection of all equipment carried out by clerk and at least one councillor
2		Risk to third	L	Assets fully insured (£10m) Public Liability. Zurich annual	Existing procedure adequate

		parties/property		inspection of play equipment carried out and additional inspection, monthly, by nominated Parish Councillor.	
3	Maintenance of assets	Poor performance of assets	L	All assets owned by the PC are reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned and authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually.	All public amenities/land owned by HPC to be inspected monthly by nominated councillors who will provide a verbal report, noting any required actions required. Ensure inspections and actions carried out.
4	Notice boards	Risk/damage/injury to third parties Road side safety	L L	Notice board locations approval by relevant parties, insurance cover. Any repairs/maintenance requirements are brought to the attention of the Parish Council.	Boards to be inspected regularly by the Clerk.
5	Street furniture	Risk/damage/injury to third parties	L	The Parish Council is responsible for various items (i.e. shelter, seats, etc) around the parish and covered by insurance. No formalised programme of inspections is carried out but all reports of damage or faults are notified to HPC and/or dealt with.	Items should be inspected annually or upon report of disrepair/damage by Clerk or Councillors
6	Meeting location	Adequacy Health & Safety	L	The Parish Council Meetings are held at Horton Champney Hall. The premises and the facilities are considered to be adequate by the Clerk as responsible officer for H&S. Meetings covered by insurance.	Existing locations adequate. Venue Public Liability to be checked from time to time
7	Council records – paper	Loss through: theft fire damage	L L L	The Parish Council records are stored at the Clerks’ home address. Records include correspondence, minute books and copies, records such as personnel, insurance, salaries etc. Copies of these are stored electronically on the Parish email records. Older more historical records are stored in the Archives in a metal filing cabinet at Champney Hall.	Damage (apart from fire) and theft is unlikely and so provision adequate.
8	Council records -	Loss through: Theft, fire,	LM	The Parish Council’s electronic records are stored on the Clerks’ computer. Back-ups of the files are taken at regular	The clerk has provided the Chairman and Vice-Chairman of the PC with

	electronic	damage corruption of computer		intervals. The few paper originals received are scanned and emailed to the Clerk email, and created documents are emailed to Cllrs so all documents are available to the chair and vice chair as they have the email password	details of passwords to access HPC email and electronic archive.
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<b>Risk Management Policy Statement &amp; Assessment</b>			
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