

RETTENDON PARISH COUNCIL

RISK MANAGEMENT POLICY AND RISK ASSESSMENT



The Council recognises it has a responsibility to manage risk effectively in order to protect its employees, assets, liabilities and the local community against potential loss.

The Council is aware that some risks can never be eliminated fully and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

The Council's approach to risk management requires that all risks should be systematically identified and managed in the most cost effective manner within overall resources available.

Failure to manage risk effectively can be expensive in terms of litigation and reputation, as well as an impediment to the achievement of the desired aims of the Council.

Each risk identified by the Council is recorded in the Council's risk assessment. The impact is assessed, appropriate control measures are put in place and the frequency with which the risk should be reviewed is determined.

When reviewing the risk assessment annually, new identified risks, will be included.

RPC RISK ASSESSMENT

FINANCIAL AND MANAGEMENT				
SUBJECT	RISK(s) IDENTIFIED	H/M/L	MANAGEMENT/ CONTROL OF RISK	REVIEW/ ASSESS/ REVISE
Business Continuity	Risk of the Council not being able to continue its business due to an unexpected or tragic circumstance	High Impact/ Low Likelihood	<p>The management plan for the loss or long term incapacity of the Clerk is covered in the Standing Orders (section 15(c)). In the medium term a substitute Clerk can be used from the EALC. In the long term, a new Clerk would need to be employed.</p> <p>Full or majority replacement of the Council at an election or other such instances. RPC Co-option Policy will be used for any vacant positions.</p>	<p>Existing procedure adequate.</p> <p>Existing procedure adequate.</p>

<p>Precept</p>	<p>Adequacy of precept</p> <p>Amount not received from Chelmsford City Council</p>	<p>Low Impact/Low Likelihood</p> <p>High Impact / Low Likelihood</p>	<p>To determine the precept amount required, the Council regularly receives budget update information and the precept is an agenda item at full council.</p> <p>The Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be demanded from Chelmsford City Council. This figure is submitted by the clerk in writing to Chelmsford City Council. The Clerk informs the Council when the monies are received (by way of budget update report)</p>	<p>Existing procedure adequate.</p> <p>Existing procedure adequate.</p>
<p>Financial Records</p>	<p>Inadequate records. Financial irregularities.</p>	<p>High Impact / Low Likelihood</p>	<p>The Council has Financial Regulations which sets out the requirements. These financial regulations are reviewed annually for adequacy and improvements. The Council has appointed both internal and external auditors.</p>	<p>Existing procedure adequate.</p>

Bank and Banking	Inadequate checks, Bank mistakes, Loss, Charges.	High Impact / Low Likelihood	<p>The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. The Council has three bank accounts (two current and one reserve). Cheques require two signatures, there are three nominated Councillors as signatories (any two to sign).</p> <p>The bank makes occasional errors in processing cheques which would be discovered when the Clerk reconciles the bank accounts once a month when the statement arrive, these are dealt with immediately by informing the bank and awaiting the correction</p>	<p>Existing procedures adequate.</p> <p>Financial Regulations reviewed annually.</p> <p>Bank signature list reviewed annually, after AGM and after an election.</p> <p>Bank statements monitored monthly.</p> <p>Existing procedures adequate.</p>
Cash	Loss through theft or dishonesty	N/A	<p>The Council has Financial Regulations which set out the requirements.</p> <p>There is no petty cash or float.</p>	<p>Existing procedure adequate.</p> <p>Financial Regulations reviewed annually.</p>

<p>Security of Funds in Bank Accounts</p> <p>Reporting and Auditing</p>	<p>Loss of funds if a Bank goes bust</p> <p>Information communication</p> <p>Compliance</p>	<p>Low Risk/ High impact</p> <p>Low Impact / Low Likelihood</p> <p>Medium Impact / Low Likelihood</p>	<p>The Governments FSA does not cover Parish Councils and there is no current Insurance Available to cover the Risk. Therefore the Council has spread funds across 2 banks, HSBC and Barclays.</p> <p>A monitoring statement is produced regularly for each Council meeting, discussed and approved at the meeting. This statement includes bank reconciliation, and a breakdown of receipts and payments balanced against the bank</p> <p>The Council has an appointed an internal auditor who undertakes annual internal audits</p>	<p>Existing communication procedure adequate.</p> <p>The half yearly budget to identified actual balances against projected balances.</p> <p>Internal auditor appointed</p>
<p>Direct costs, Overhead expenses, Debt.</p>	<p>Goods not supplied but billed. Incorrect invoicing. Cheque payable incorrect. Unpaid invoices.</p>	<p>Low Impact / Low Likelihood</p>	<p>The Council's Financial Regulations sets out the requirements. Invoices awaiting approval are emailed to Councillors prior to the Council Meeting for consideration. Councillors approve the list of invoices for payment at the Council Meeting. Unpaid invoices to the Council are pursued and where possible, payment is obtained in advance</p>	<p>Existing procedure adequate.</p> <p>Financial Regulations reviewed annually.</p>
<p>Grants and support payable</p>	<p>Power to pay, Authorisation of Council to pay.</p>	<p>Medium Impact / Low Likelihood</p>	<p>All such expenditure to go through the required Council process of approval, minuted and listed accordingly if a payment is made using the (LGA 1972) S137 power of expenditure</p>	<p>Existing procedure adequate.</p>

Grants – receivable	Receipts of Grants	Low Impact / Low Likelihood	The Council does not presently receive any regular grants. One off grants would come with terms and conditions to be satisfied	Existing procedure adequate.
Charges – rentals receivable	Receipt of rental Insurance implication	N/A	The Council does not presently receive any rental income.	N/A
Best Value Accountability	Work awarded incorrectly, Overspend on services.	High Impact / Low Likelihood	Normal Parish Council practice would be to seek, if possible, more than one quotation for any substantial work required to be undertaken or goods. For major contract services, formal competitive tenders would be sought. If an overspend is incurred the Clerk investigates the situation and reports to Council. This is covered in the Financial Regulations.	Existing procedure adequate. Financial Regulations reviewed annually.
Salaries, Fees and associated costs	Fees paid incorrectly, Wrong hours paid, Wrong deduction of NI and Tax, Unpaid Tax and NI, Contributions to the Inland Revenue.	High Impact / Low Likelihood	The Council authorises the appointment of all employees and contractors. Salary and fee rates are assessed by the Council. The clerk has terms of engagement and a formal contract. The clerk operates PAYE-RTI via an HMRC internet system which covers tax paid and NI. The Council pays the Clerk (nett of tax) by Standing Order monthly and RTI tax quarterly by cheque, as notified by the Clerk.	Existing appointment and payment system is adequate. Existing procedure adequate.

Employees	Loss of key personnel Fraud by staff Actions undertaken by staff Health & Safety	N/A	Reference to the Business Continuity Plan should be made in case of loss of key personnel. The requirements of the Fidelity Guarantee Insurance to be adhered to with regards to Fraud. The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Review of clerk's objectives to be carried out to ensure recommended training has taken place Review clerk's training needs (including materials) and check membership of SLCC.
Councillors Allowances and Expenses	Councillors over-paid.	N/A	Expenses to be agreed in advance	Existing procedures adequate.
VAT	Re-claiming / Charging	Low Impact/ Low Likelihood	The Council has Financial Regulations which set out the requirements. The Clerk recovers VAT Annually.	Existing procedure adequate
Legal Powers	Illegal activity or payment	High Impact / Low Likelihood	All activities and payments within the powers of the Council to be resolved and Minuted at Parish Council Meetings, including a reference to the power used.	Existing procedures adequate.
Minutes / Agenda /Notices Statutory Documents	Accuracy and legality Business conduct and accountability.	Medium Impact / Low Likelihood	Minutes and agenda are produced by the Clerk and adhere to legal requirements. Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to the legal requirements.	Existing procedure adequate.
Members interests	Conflict of interest. Register of Members interest.	High Impact / Medium Likelihood	The declaring of interests by Councillors at a meeting is a process to remind Councillors of their duty and is on the agenda. Register of Members Interest forms should be reviewed regularly by Councillors.	Existing procedure adequate. Members to take responsibility to update their Register.

Insurance	Adequacy, Cost, Compliance, Fidelity Guarantee.	High Impact / Medium Likelihood	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place.	Existing procedure adequate. Review Insurance provision annually.
Data Protection	Policy Provision	High Impact / Low Likelihood	The Council is Registered with the Information Commissioner's Office.	Registration up to date.
Freedom of Information Act	Policy Provision	High Impact / Low Likelihood	The council have a model publication scheme for Local Councils in place, The Clerk is aware that if a substantial request arrives then this may require many hours of additional work. The Council is able to request a fee if the work will take more than 15 hours but the applicant also has the right to re-submit the request broken down into sections, thus negating the payment of a fee.	Monitor and report any impacts of requests made under the FOI Act. FOI information guidance is on on the Parish Council Website

PHYSICAL EQUIPMENT OR AREAS				
SUBJECT	RISK(s) IDENTIFIED	H/M/L	MANAGEMENT/ CONTROL OF RISK	REVIEW/ ASSESS/ REVISE
Assets	Loss or Damage Risk / damage to third party property of individuals	High Impact / Medium Likelihood	An annual review of assets should be undertaken.	Existing procedures adequate. Review insurance provision and maintenance provision annually.

Maintenance	Poor performance of assets or amenities. Loss of income or performance Risk / damage to third parties	High Impact / Medium Likelihood	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned/authorised in accordance with the correct procedures of the Council. All assets are insured and reviewed annually. All public amenity land is inspected regularly by parish employee/councillor/contractor.	Existing procedure adequate.
Notice Boards	Risk / damage / injury to third parties. Road side Safety	Low Impact / Low Likelihood	The Council has three notice boards sited around the parish. All locations have approval by relevant parties. All notice boards have insurance cover and inspected regularly by the Clerk, and repairs / maintenance requirements brought to the attention of the Council. A key is held by the Clerk and Councillor Mr R Hart for the notice board in Battlesbridge. No key is required for other notice boards.	Inspections are carried out regularly. Insurance provision is adequate.
Oak Tree	Risk / damage / injury to third parties and properties.	High Impact / High Likelihood	The Oak Tree in the grounds of the Village Hall has a tree preservation order. Annual tree conservation/pruning is carried out in the Winter by an Arboriculturist.	Existing procedure adequate. Inspection undertaken annually.
Teenage Shelter	Risk / damage / injury to third parties.	Low mpact / Medium Likelihood	The Council has installed a Teenage Shelter in the playing field in the village.	Existing procedure adequate. Inspected annually by qualified personnel.

Bus Shelters	Risk / damage / injury to third parties. Road side Safety	High Impact / Medium Likelihood	The Council has eleven bus shelters around the parish. All bus shelters have insurance cover and inspected regularly by Councillors. Any repairs / maintenance requirements are brought to the attention of the Parish Council.	Existing procedure adequate. Inspection undertaken annually. Insurance provision is adequate.
The Village Sign	Risk / damage / injury to third parties.	Low Impact / Low Likelihood	The Council has one village sign sited in the parish. This sign has insurance cover and is inspected regularly by the Councillors and any repairs / maintenance requirements are brought to the attention of the Parish Council.	Ensure inspections carried out. Insurance provision is adequate.
Village Hall Car Park	Loss or Damage Risk/damage to third party(ies)/property	Medium Impact / Medium Likelihood	An annual review of assets is undertaken for insurance provision, storage and maintenance requirements. Routine playground maintenance and checks take place by trained council member.	Asset needs to be registered at Land Registry.
Street Lighting/ Village Hall Car Park Lighting	Risk / damage / injury to third parties	Low Impact / Low Likelihood	The Council is responsible for the upkeep of the PC funded street lighting in the Parish and the Hall Car Park. The lights are inspected regularly by Councillors and any repairs / maintenance requirements are brought to the attention of the Council.	Ensure inspections carried out. Insurance provision is adequate. Covered by the Street Lighting Policy.
Street Furniture	Risk / damage / injury to third parties.	N/A	The Council is not responsible for any boundary signs, seats, artwork etc round the village Except for Dog bins.	N/A Maintained by CCC.

Meeting Location	Adequacy of size and any health and safety issues.	Medium Impact / Low Likelihood	The Council Meetings are held at the Village Hall (VH) and Battlesbridge Church Hall (BCH). The premises and facilities are considered to be of adequate size for numbers attending. Health and safety issues are reviewed by the VH and BCH.	Existing location's are adequate. Heath & Safety undertaken by both locations.
Council Records (electronic)	Corruption of computer	High Impact / Low Likelihood	The Council's electronic records are stored on the Clerks computer. Back ups of the files are saved on an external memory stick. The Clerks computer has the latest available firewall and anti virus software and access to the Computer is password protected.	Existing procedures adequate.
Council Records (paper)	Loss through: Theft Fire Damage	High Impact / Low Likelihood	Loss or theft of records Records held by the chairperson and clerk to be stored in fire proof safes.	All computer records are updated onto a memory stick (held by the Chairman) and exchanged for a updated secondary device each month from the Clerk.

Risk Management Policy amid Risk Assessment Approved by Full Council on 29th May 2018

Signed: Chairman Minute No.