Sapcote Parish Council

**Risk Management Policy and Risk Register (2021) V2 (updated March 2023)**

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| **This policy was adopted by the Parish Council on:** | | |
|  | **Version 1** | **Version 2** |
| **Date ratified** | 2nd December 2021 | 2nd March 2023 |
| **Minute Reference** | 237/21 |  |
| **Date of Next review** | December 2022 | March 2024 |
| **Signed** |  |  |

Risk is an uncertain event or condition that, if it occurs, will influence the Parish Council’s work. Risk management is the process whereby the Parish Council will address the risks associated with what they do and the services they provide. The focus of risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences. This document has been produced to enable the Parish Council to assess the risks it faces and satisfy itself that it has taken adequate steps to minimise them. The methodology followed was:

* Identify the risks
* Assess the risks
* Address the risk
* Review and report

Risk status indications

The adopted risk management methodology uses an indication against each risk item to confirm its status as below:

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| **L** | **Low** | This is identified as being effectively managed with adequate reviews, process and/or documentation as appropriate. |
| **M** | **Medium** | The identified risk is being managed. However, there are aspects of risk management, which ought to be improved to achieve a low status. It is recognised that sometimes improvements may be difficult to achieve, and remedial work may take time (e.g., Clerk or Councillor training).  **Or**  This identified risk is not under adequate management. However, if this risk arises, with will have minimum impact upon the Council. Whilst attempts can be made over time to improve the management of this risk there may be occasions where the cost of mitigation is not warranted (e.g., holding of expensive equipment). |
| **H** | **High** | This identified risk, which has serious potential impact upon the Council is not under adequate management. This represents a key risk which will be highlighted to meetings of the Council until such time that it is adequately managed or mitigated. |

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| **BUSINESS MANAGEMENT and FINANCIAL RISK MANAGEMENT** | | | | | |
| Subject | Risk(s) identified | H/M/L | Management/control of Risk | Review/Assess/Revise | Responsible |
| Business Continuity | Incapacity of Clerk including impact of pandemic Resignation of the Clerk Loss or theft of records  Failure to retain or secure the necessary number of Members for a Council (Inquorate)  Pandemic | L | All current and previous year records are stored at Clerks house. (Archive records currently stored at Scout Centre)  Clerk laptop automatically backs up to Microsoft cloud  In the event of Clerk incapacity Chair to contact LRALC for support  Insufficient Councillors – Clerk to contact LRALC for support | Existing procedures adequate  Review need and cost for off-site back up support/package | Clerk/Council |
| Precept | Adequacy of precept  for the Council to  carry out its Statutory duties  Requirements not submitted to BDC  Amount not received from BDC | L | The Council reviews the Precept requirement annually at the December meeting. Review includes presented budget and updated information including actual position and projected position to year end and estimated figures for the next fiscal year. Council then agrees the total which is then resolved to be the precept amount to be requested from BDC. This figure is submitted in writing (using BDC forms), informs Council, and confirms receipt when monies are received. | Existing procedures adequate  Review budget setting process to further improve and ensure precept request is sufficient for PC needs. | Clerk/Council |
| External Audit Annual Governance and Accountability Return (AGAR) | Financial documentation not submitted as required within time limits | L | Internal Audit in May  AGAR is completed by Clerk and signed by the Internal Auditor and Chair at June meeting.  It is then sent to the external auditor within time limit. | Existing procedures adequate | Clerk/Chair |
| Financial  Records | Inadequate records  Financial irregularities | L | The Council has Financial Regulations that set out requirements | Existing procedures adequate  Review Financial Regulations annually. | Clerk/Council |
| Bank and banking | Lack of control over banking/ procedures/ checks  Bank mistakes  Loss Charges | L  L  L | The Council has Financial Regulations that set out the requirements for banking, bacs payments, cheques, and reconciliation of accounts.  The Clerk reviews the Council’s banking arrangements regularly. | Existing procedures adequate  Review Financial Regulations annually and especially after any changes.  Review bank signatory list annually and after AGM, election.  Monitor bank statements monthly.  No cash accepted. | Clerk |
| Reporting and auditing | Inadequate reporting  Information/ communication  Compliance | L  M | Full list of payments made, receipts and payments due is provided at each meeting which is approved by Council.  Bank reconciliation (cash book and bank statements) completed by 1 Councillor prior to meeting and recommendation made to Council for approval.  Bank balances info provided to Council at each meeting and a budget monitoring statement produced periodically.  Council should regularly audit internal control systems. | Existing communication and reporting systems adequate  Review regularity of budget monitoring reporting | Clerk/Council |
| Best value accountability | Work awarded  Incorrectly.  Overspend on services. | L  M | As per Financial regulations, PC will seek, if possible, more than one quote for any substantial work required or goods to be purchased.  For major contract services, formal competitive tenders will be sought.  If any problem is encountered with a contract, the Clerk will investigate the situation, check the quote/tender, research the problem and report to Council. | Existing procedures adequate  Review Financial Regulations regularly | Clerk/Council |
| Direct Costs  Overhead expenses  Debts | Goods billed but not supplied  Incorrect invoicing  Incorrect payments  Monies due – unpaid invoices |  | The Financial Regulations set out the requirements.  All invoices are signed off by Chair/Vice Chair prior to payment. List is included in council meeting information for Full Council approval.  Unpaid invoices are pursued by the Clerk. | Existing procedures adequate  Review Financial Regulations regularly | Clerk/Council |
| Salaries and associated costs | Salary paid incorrectly  Wrong hours/rate paid  Wrong or unpaid Tax/NI paid to HMRC  Wrong or unpaid Pension contribution | L  L  L  L | Parish Council authorises the appointment of all employees at Council meetings  Salary rates are assessed annually by the Council and applied on 1st April  Payroll company calculates all salary, tax, and NI contributions monthly.  All payments: salary, tax and NI and pension contributions are paid by BACS. | Existing appointment and payment system is adequate.  HR (Human Resources) Committee now in place | Clerk/Council |
| Employees | Loss of Clerk  Fraud by staff | L  L | Parish Council has reserves to enable appointment of Locum Clerk, training for new Clerk including CILCA.  The Clerk should be provided with relevant training, reference books, access to equipment, assistance and legal advice required to undertake the role.  The requirements of the Fidelity Guarantee insurance to be adhered to re fraud. | Existing procedure adequate  Ensure all costs included in budget/precept requests.  Membership of SLLC, NALC (National Association of Local Councils), LRALC for support.  Monitor working conditions, safety requirements and insurance regularly | Clerk/Council |
| VAT | Failure to reclaim correct amount of VAT |  | VAT analysis is carried out by the Clerk on all purchases and claims and an annual claim is made to HMRC for VAT recovery. | Existing procedure adequate |  |
| Legal Powers | Illegal activity or payments | L | All activity and payments within the powers of the Parish Council to be minuted at Full Parish Council meeting. | Scribe Accounts now used to record all transactions which are minuted each month at PC meeting. | Clerk/Council |
| Grants | Grant not received  Authorisation of Council to pay | L | Financial procedures ensure that all payments are confirmed and chased if necessary.  Financial regulations ensure that grants are spent according to conditions (S106)  Grants policy in place | Existing procedures are adequate. |  |
| Council records – paper | Loss through:  Theft  Fire damage | L  M | Current records are stored at Parish Clerk’s house. Older records are stored at the Scout Centre  Records include, minute books, documents for ownership of property, historical correspondence, cemetery records and books, and personnel/other records (salaries, insurance etc). | Theft and general damage low so provision adequate.  Scan and store electronic copies of ownership of properties documents etc. | Clerk |
| Council records – electronic | Loss through:  Theft, fire damage or corruption of computer | L  M | Electronic records stored on laptop/cloud drive at Clerk’s home. | Review need and cost for off-site back up support/package | Clerk |
| Insurance | Adequacy  Cost  Compliance  Fidelity Guarantee | L  L  L  M | Annual review undertaken before policy renewal, of all insurance arrangements in place.  Employer’s and Employee liability is a necessity and must be in place.  Ensure compliance measures are in place.  Ensure Fidelity checks are in place. | Existing procedures adequate  Review insurance provision annually.  Review of compliance. | Clerk |
| Data protection | Policy provision | L | The Council is registered with the Information Commissioner’s Office and complies with GDPR regulations. Only personal data for lawful purposes is stored. | Ensure annual renewal of registration and data protection policy. | Clerk |
| Freedom of Information | Policy provision | L | The Council has a model publication scheme for Local Councils in place.  The Council can request a fee for any information requested to cover the cost of consumables and the clerk’s time. | Monitor and report any impacts of requests made under the FOI Act. | Clerk/Council |
| Meeting locations | Adequacy  Health & Safety | L  M | Parish Council meetings are held at the Pavilion. The premises and facilities are adequate for the Clerk, Councillors and members of public who attend from Health and Safety and comfort aspects | Health and Safety policy  Covid meeting guidance  Report issues to SRGMC | Clerk/Council |
| Noticeboards | Risk of damage  Injury to third parties | L  L | Parish Council has two fixed wall noticeboards (Co-op and Library).  Keys held by Clerk  Inspection regularly and repairs/maintenance requirements brough to the attention of the Parish Council. | Existing procedure adequate  Review of current noticeboards with a view to updating/ replacing. | Clerk |
| Minutes  Agendas  Notices  Statutory  Documents` | Accuracy and legality relating to official business documentation  Business conduct | L  L | Minutes and agendas are produced in the prescribed method by the Clerk and adhere to legal requirements.  Minutes approved and signed at next Parish Council meeting.  Minutes and agenda are displayed according to legal requirements.  Business conducted at Parish Council meetings should be managed by the Chair. | Existing procedure adequate.  If required – training for Clerk and Chair should be provided  Councillors sign a copy and adhere to Code of Conduct. | Clerk/Council |
| Members interests | Conflict of interests  Register of Members’ interests | M  M | Councillors have a duty to declare aby interests at the start of the meeting.  Register of Members’ Interest forms to be reviewed and updated annually by Councillors. | Existing procedures adequate.  Members to take responsibility for ensuring information is up to date and accurate | Clerk/Council |
| Councillor and staff | Bringing the Council into disrepute | M | Councillors understand and sign the Code of Conduct. Training provided if needed.  A professional approach is undertaken on all Parish Council matters | Existing procedure adequate  Councillors sign a copy and adhere to Code of Conduct. | Clerk/Councillor |
| Compliance with legislation  Standing Orders  Financial Regulations | Lack of knowledge of rules and regulations | L | Councillors have access to Standing Orders and Financial Regulations. | Existing control adequate  Councillors provided with a copy of the Good Councillors Guide and the Good Councillors Guide on Finance and Transparency | Clerk/Council |
| Risk Assessments | Failure to review current risks/risk register  Failure to assess new risks | M | All Parish Council procedures/activities are subject risk assessment and recorded on Risk Register. Reviewed and minuted annually.  New procedures/activities to be added to Risk Register.  Specific Risk Assessments to be completed for identified areas, equipment, or activities. | Existing procedure adequate | Clerk/Council |
| **PHYSICAL EQUIPMENT OR AREAS** | | | | |  |
| Cemetery and War memorial | Damage  Health & Safety  Clean, Tidy & Respectful | M | Clerk undertakes regular health & safety walks.  Cemetery Assistant reports any issues directly to Clerk who deals with it  promptly and appropriately.  All cemetery records are kept in accordance with legal and financial requirements. | Existing procedure adequate  Review site specific Risk Assessment and update. | Clerk/Staff |
| Allotments | Damage  Health & Safety | M | Clerk undertakes regular health & safety walks.  Council complete allotments inspections at least annually and issues raised with allotment holders.  Allotment financial records are kept in accordance with Financial Regulations. | Existing procedure adequate  Ensure Inspections undertaken on an annual basis – to be recorded in Scribe Allotments from April 2023  Review site specific Risk Assessment and update. | Clerk/Council |
| Public Open Spaces  Including Grace Road open space and balancing pool | Damage  Health & Safety | M | Clerk undertakes regular health & Safety walks  All knee-high fencing to be checked regularly for safety and integrity. Faults dealt with promptly and appropriately.  Appropriate signage in place in all areas. | Existing procedure adequate  Ensure appropriate signage is in place and visible  Review site specific Risk Assessment and update. | Clerk |