

Aldeby Parish Council Risk Management Policy

About the Council

ALDEBY Parish Council is a small parish council as defined by the Local Audit and Accountability Act 2014. The Council has varying activities and functions and is currently insured through Gallagher. The Insurance Policy is for a term of 3 years, and is due for renewal 01/06/2023

The contact details for the insurers are:

AJG Community Schemes
Blenheim House
1-2 Bridge Street
Guildford
Surrey
GU1 4RY

Client reference 1576279
Policy Number 499218051

The Clerk retains the insurance file and will deal with all matters relating to risk and insurance. This is detailed in the Clerk's Job Description and supported by 'Governance and Accountability 2022'. The Council supports the Clerk in this role by providing training opportunities. The Council agrees the Risk Management Policy which is reviewed every year.

Main Actions in relation to risk management

- ✓ The Asset Register is updated during the year by the Clerk.
- ✓ Risk assessments (Health and Safety) are written and updated by the Clerk where appropriate, or another designated body. Copies of risk assessments are retained.
- ✓ Sites are inspected at least annually, and records are retained.

- ✓ Play Areas are inspected weekly, and an annual inspection must be carried out by an external qualified inspector. All inspections must be retained for at least 22 years.
- ✓ The Council reviews the Insurance Policy prior to renewal.
- ✓ Financial Risk Assessments are carried out by the Clerk / Responsible Financial Officer, as required.
- ✓ Documentation is kept safely and securely.
- ✓ The Council reviews its systems of Internal Control at least annually.

The Risks identified for the Council:

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Operational				
Staff (Clerk)	High <ul style="list-style-type: none"> • Accident at work • Sickness • Terminates employment 	Employer's Liability in place Lone Worker's Policy Adequate Working Balance Adequate Working Balance	Insurance Policy Budgeted	Clerk and Council
Insufficient Councillors	High <ul style="list-style-type: none"> • Increased pressure on remaining Councillors and Clerk • Inability for Council to function if numbers became too low 	Advertise for councillors following the correct protocol as necessary. Positive promotion of being a Councillor The quorum for this Council is 3 Councillors	As necessary Ongoing Advertise on Facebook, website, and noticeboards	Clerk and Council

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Council lacks relevant skills and commitment	Moderate <ul style="list-style-type: none"> • Council fails to achieve its purpose. • Decision making by-passes Council. • Poor value for precept money 	<p>Training for Councillors (ensure adequate budget)</p> <p>Provide all new Councillors with 'A Guide to being a Councillor'.</p> <p>Encourage good relationships between Clerk and Councillors</p> <p>Close review of attendance</p>	<p>Annually, especially for new Councillors</p> <p>Keep, review and supply of up-to-date version</p>	Chairman and Parish Clerk
Councillors benefiting from being on the Council	Moderate <ul style="list-style-type: none"> • Affects reputation of the Council • Conflict of Interest 	<p>Clear Standing Orders Code of Conduct</p> <p>Open system of payments</p> <p>Transparent accountability</p>	<p>Annual</p> <p>All meetings</p>	Chairman with the help from the Clerk
Failure to register members' interests	Moderate <ul style="list-style-type: none"> • Member could make inappropriate gains. • Could affect the Councils' reputation 	<p>Procedure in place for recording and monitoring members' interests</p> <p>Officers up to date with procedures</p>	Annually or as required if interests change during the year	Chairman and Clerk

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Members of the public attending meetings	Low <ul style="list-style-type: none"> • Accident • Incident 	Public Liability Insurance Visual Inspection – recorded. Standing Orders in place	Insurance Policy	Clerk VH Chairman / Committee
Contractors	Medium <ul style="list-style-type: none"> • Public accident 	Public Liability Insurance Contractors own Public Liability	Insurance Policy Council and Contractor (£10 million)	Clerk
Loss of key staff	High <ul style="list-style-type: none"> • Possible failure in budgetary controls • Increased pressure on remaining Councillors and Clerk • General backlog 	Succession Planning Clear office procedures Clear budgetary procedure Up to date job descriptions for Clerk Appraisal System Open communications with both Councillors and Clerk	Loss of Clerk	Chairman and Clerk

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Lack of relevant information given to Council	High <ul style="list-style-type: none"> Inability to make informed decisions 	Timely and accurate financial reporting Clerk's report's including project updates. Relevant correspondence lists provided. Consultation papers discussed with Chairman before passed on to the Council	Usually, monthly Regularly at relevant meetings ongoing	Chairman and Clerk
Poor document control	Moderate <ul style="list-style-type: none"> Information not passed on in a timely manner. Deadlines missed 	All relevant correspondence included on list given to all councillors. Clerk would discuss with Chairman if document was urgent	Annually	Chairman
Failure to comply with law, in particular: <ul style="list-style-type: none"> Health and Safety Equal opportunities Data Protection Disability Discrimination Employment Law 	High <ul style="list-style-type: none"> Fines and penalties from regulation bodies Employee action for negligence of grievance Loss of reputation 	Clear policies and procedures Regular review of law Training programme for Clerk and Councillors including induction procedure. Clerk to keep trained on the latest policies/procedures/law	Annually	Clerk

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Failure to ensure that all business activities are within legal power	High <ul style="list-style-type: none"> Illegal expenditure Poor public image 	Recording the precise power under which unusual expenditure is being approved. (This is if you do not have the General Power of Competence)	As necessary	Clerk
Minutes of meeting incomplete or inaccurate	High <ul style="list-style-type: none"> Confusion and misunderstanding Actions not reflecting intentions of Council 	Approval by Parish Council at the following meeting Minutes properly numbered and signed by appropriate Chairman. This master copy will be kept indefinitely	Meetings	Clerk and Chairman
Failure to meet the laid down timetables when responding to consultation invitation	Moderate <ul style="list-style-type: none"> Affect reputation. Ineffective or loss of involvement 	Documented procedures to deal with responses to consultation requests to be investigated.	Annually	Clerk
Failure to respond to electors' wish to right of inspection	Moderate <ul style="list-style-type: none"> Loss of confidence Loss of reputation Liability to legal action for non-compliance 	Clear Standing Orders Freedom of Information adopted by Council and to be adhered too. Requests for information to be dealt with individually and recorded	Annually	Clerk
Contractors	Moderate <ul style="list-style-type: none"> Public accident 	Public Liability Insurance Contractors own public liability insurance. Risk Assessment	Insurance Policy Council and Contractor (10 million)	Clerk and Council

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Breach of Data	High <ul style="list-style-type: none"> • Loss of Confidence • Loss of Reputation • ICO Investigation 	General Data Protection Regulations	Annually reviewed	Clerk Data Controller
Financial				
Cash flow and end of year balance	Moderate	Budget prepared. Budget Monitoring document provided to members. Reserve funds allocated. Fidelity Guarantee in place Internal Controls in place	Clerk / RFO Insurance Policy Policies reviewed annually	Council to agree and review
Precept inadequate	Moderate	Budget expenses are more that the Precept. All expenses should stay within budget	All expenditure should be approved by the Council	RFO Council
Handling of cash	Low	Two people designated to count and bank cash.	Insurance cover for retention of cash	Council to agree and review
Handling and writing of cheques	Low	At least two people designated cheque signatories	Clerk/RFO	Council to agree and review
Payments by Bank Transfer, standing order and direct debit	High	This payment system is now the preferred process. Bacs/SO/DD are instigated by the Clerk/RFO and authorised by designated Councillor	Reviewed annually	Clerk/RFO Councillors

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Incomplete or inaccurate financial records	Moderate	Parish Council to comply with Governance and Accountability for Smaller Authorities in England. Financial Regulations to be approved. Financial systems to be determined. Cashbook and systems to be set up with a recommendation from the RFO	Internal Control policy by Council Clerk/RFO to have relevant qualification and experience to fulfil role	RFO
Bank Reconciliation	Moderate if approved	Bank reconciliation approved on a quarterly basis	Non-Signatory Councillor	Clerk/RFO Councillor
Incorrect VAT Claim and VAT non-compliance	Moderate	RFO Scrutinises all invoices received. VAT claimed annually	Officers to be trained in procedures for VAT	RFO
Failure to ensure the proper use to funds granted by Community Infrastructure Levy	Moderate	Lack of funds for project for which the grant was intended. Misuse of CiL monies	Follow up report on projects the grant is spent on. Annual reporting form	RFO
Audit challenges Internal	Moderate	Audit control policies in place and reviewed. Internal Auditor appointed annually.	Clerk / RFO	Council to agree and review
External		PC is currently exempt as under £25,000		
Data Protection	Moderate	DPO appointed. Clerk and Councillors trained. Finance Committee has delegated power to manage the process. Data Protection Policy adopted	Clerk / RFO Clerk / Councillors Council	Council to agree and review
Building & Property				
Damage to Council property by third party or act of God. Insufficient protection of	Moderate <ul style="list-style-type: none"> • High cost of repair • Loss of assets • Disruption 	Insurance cover Good fire alarm Maintain an up-to-date register of assets. Regular maintenance arrangement for physical assets	Annually	Clerk

physical assets owned by council	<ul style="list-style-type: none"> • Damage to public property or person 	<p>Annual review of risk and adequacy of insurance cover</p> <p>Back-up copies of all essential documents</p> <p>Disaster Recovery Plan</p>		
Damage to third party property or individual due to service of amenity provided	<p>Moderate</p> <ul style="list-style-type: none"> • Claim against 	<p>Public Liability Insurance</p> <p>Regular checks of facilities</p> <p>Ensure all amenities/facilities are maintained to appropriate level.</p> <p>Health and safety and risk assessment</p>	<p>Annually</p> <p>As required.</p> <p>Annually</p>	Clerk and Chairman
Lack of forward planning and budgetary controls	<p>High</p> <ul style="list-style-type: none"> • Financial breakdown 	Clear and regularly reviewed Financial Regulations	Annually	Clerk and Chairman
Loss of cash through fraud or dishonesty	<p>Moderate</p> <ul style="list-style-type: none"> • Reduction in available funds • Loss of reputation 	<p>Clear financial procedure and regulations</p> <p>Annual internal audits</p> <p>Adequate insurance cover</p>	Annually	Chairman Clerks RFO
Failure to ensure the adequacy of the annual precept within sound budgeting arrangements	<p>Moderate</p> <ul style="list-style-type: none"> • Services not provided. • Lack of confidence in the Council • Inability to carry out functions. • Insufficient funds for contingencies or project 	<p>Regular budget progress reports</p> <p>3 Year financial plan</p>	<p>Quarterly at Council meetings</p> <p>Annually</p>	Chairman Clerk/RFO

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Complying with restrictions on borrowing	Moderate <ul style="list-style-type: none"> Assets seized. Additional incurred costs 	Include loan repayments in annual budget. Clear financial regulations <i>No Loans at present</i> <i>Loans would be via Public Works Loans Board</i>	Annually	Chairman Clerk/RFO
Failure to use grants received for intended purposes	Moderate <ul style="list-style-type: none"> Lack of funds for project for which grant was intended. Possible charge of misappropriation 	Ensure funds properly ring fenced. Clear financials procedures Work to deadlines Report to the Grant funder and return unspent funds	Annually	Clerk
Failure to ensure the proper use of funds granted to local community bodies under specific powers or under s137	Moderate <ul style="list-style-type: none"> Lack of funds for project for which grant was intended. Misuse of grant monies 	Follow up on projects with project reporting form. Maintain a separate record for s137 expenditure	Minimum of quarterly Annually	Clerk
Assets				

Risks	Likelihood v Impact = Risk Rating	Mitigation	By what means	Action
Playing field equipment	Moderate/High <ul style="list-style-type: none"> • Vandalism • Injury 	Defects identified are dealt with promptly. Regular checks made by volunteers. Safety check by RoSPA annually	Weekly checks Annually RoSPA	Volunteers Councillors Clerk RoSPA
Fence and gates at Playing fields	Low <ul style="list-style-type: none"> • Vandalism • Injury 	Regular checks	Defects identified are dealt with promptly	Volunteers and Parish Council
Noticeboards	Low <ul style="list-style-type: none"> • Theft • Vandalism 	Clerk Checks when updating noticeboard	Monthly	Clerk
Defibrillator Cabinet	Low <ul style="list-style-type: none"> • Theft • Vandalism 	Weekly checks by Councillor	Weekly	Councillor
Village Sign	Low <ul style="list-style-type: none"> • Vandalism • Storm damage 	Regular checks by residents of the village and parish council	When passing through	Everyone

Date agreed:

Date to be reviewed:
(1 year from date of agreement)