

RISK MANAGEMENT POLICY / REGISTER

Risk is an uncertain event or condition that, if it occurs, will have an effect on the achievement of the Village councils objectives . Risk management is the process whereby the Village Council will methodically address the risks associated with what they do and the services which 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 Village Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

- Identify the risks.
- Assess the risk
- Address the risk.
- Review and report

Risk Status Indications

The adopted risk management methodology uses an indication against each risk item to confirm its current status.

The coding is defined as follows:-

L Low This identified risk is being effectively managed with adequate reviews, processes and/or documentation as appropriate.

M Medium This identified risk is being g 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. a need for Councillor training).

Or

This identified risk is not under adequate management. However, if this risk arises, it will have a minimal 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 spare parts or equipment).

H High This identified risk, which has a 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. Certain key risks with a low probability may be entirely beyond the management control capability of the Council – such risks may retain a high status upon the agreement of Council

Subject	Risk(s) Identified	H/M/L	Control of Risk	Review/Assess/Revise	Responsible
Business Continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	L	All files and recent records are kept at the Clerk's home. The Clerk makes regular back-ups of files to Microsoft Cloud back up service and every three months onto a USB held by the Chair. Business Continuity Plan available. In the event of the Clerk being indisposed the Chairman to contact ERNLLCA for advice.	Existing procedures adequate. Review annually	Clerk /Chair
Precept	Adequacy of precept Requirements not submitted to NELC Amount not received by NELC	L L L	The Council reviews the Precept requirement annually at the December meeting, reviews the presented budget update information including actual position and projected position to year end and estimated figures for the next financial year. With this information the Council then agrees the amounts set for the specific budget headings for the following year, the total of which is resolved to be the precept amount to be requested from NELC. This figure is submitted by the Clerk in writing to NELC and informs Council and confirms receipt when the monies are received (normally April and October).	Existing procedure adequate.	Clerk/Council
Annual Governance and Accountability Return (AGAR)	Not submitted within time limits	L	AGAR is completed and signed by the Chair and the Internal Auditor. It is then checked and sent on to the External Auditor within time limit. Clerk prepares a timetable for submission to be presented at the March meeting.	Existing procedures adequate.	Clerk/Chair
Financial records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations that set out the requirements	Existing procedure adequate. Review the Financial Regulations annually	Clerk/Council
Bank and banking	Inadequate checks Bank mistakes Loss Charges	L L L	The Council has Financial Regulations that set out the requirements for banking, cheques and reconciliation of accounts. The Clerk reviews the Councils banking arrangements regularly	Existing procedure adequate. Review the Financial Regulations annually and bank signatory list annually especially after an AGM and an election. Monitor the bank statements Monthly	Clerk

Subject	Risk(s) Identified	H/M/L	Control of Risk	Review/Assess/Revise	Responsible
Paypal	Loss through theft or dishonesty	L	All payments received via Paypal are transferred to the Councils current account within seven days. Details of payments and transfers reported to Council through Financial Report monthly.	Existing procedures adequate. Review the financial regulations annually. Monitor statements monthly	
Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations that set out the requirements. Cash received is banked within 3 banking days. A petty cash float is held limited to £250. The Council's insurance policy has a Fidelity Guarantee.	Existing procedure adequate. Review the Financial Regulations annually. Ensure Fidelity Insurance is adequate.	Clerk/Council
Reporting and Auditing	Information communication compliance	L M	A budget monitoring statement is produced before each Council meeting with the agenda and discussed and approved at the meeting. A full list of payments made, receipts and payments to be made is provided at the meeting and the financial records including a breakdown of receipts and payments balanced against the bank statement are presented and checked by a Councillor at each meeting. Council should regularly audit internal control systems	Existing communication and reporting procedures adequate. Council annually to appoint 2 Councillors to check internal controls and financial records	Clerk/Council
Direct costs Overhead expenses Debts	Goods not supplied but billed Incorrect invoicing Incorrect payments Unpaid invoices	L L L L L	The Council has Financial Regulations that set out the requirements. Prior to each Council meeting the list of invoices awaiting approval is sent electronically to Councillors, Council then approves the list of requests for payment. Unpaid invoices to the Council are pursued and where possible payment is obtained in advance.	Existing procedure adequate. Review the Financial Regulations when necessary	Clerk/Council
Best value accountability	Work awarded incorrectly Overspend on services	L M	As per Financial Regulations normal Village 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 a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council.	Existing procedure adequate. Review Financial Regulations regularly.	Clerk/Council

Subject	Risk(s) Identified	H/M/L	Control of Risk	Review/Assess/Revise	Responsible
Salaries and associated costs	Salary paid incorrectly Wrong hours paid Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L L L L	The Village Council authorises the appointment of all employees at Council meetings. Salary rates are assessed annually by the Council and applied on 1st April each year. Salary is paid monthly by BACS. The Tax and NI contributions are calculated by the payroll company. All Tax and NI payments are submitted in the Inland Revenue Annual Return.	Existing appointment and payment system is adequate.	Clerk/Council
Clerk/Other workers (voluntary/casual)	Loss of Clerk Fraud	L L	The Village Council has sufficient reserves to enable training for the CiLCA qualification in the event of the Clerk resigning. 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.	Include in financial statement when setting precept. Existing procedure adequate. Purchase reference books where necessary. Membership of the SLCC. Monitor working conditions, safety requirements and insurance regularly.	Clerk/Council
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Village Council to be resolved and minuted at Full Village Council Meetings.	All activities and payments minuted.	Clerk/Council
Council records - paper	Loss through: theft fire damage	L M	The Village Council records are stored at the home of the Clerk. Records include historical correspondence, minute books and copies, documents for ownership of property, records such as personnel, insurance, salaries etc. Electronic copies of all correspondence is kept.	Damage (apart from fire) and theft is unlikely and so provision adequate. Deeds/leases copied and deposited off-site	Clerk
Council records - electronic	Loss through: Theft, fire, damage Corruption of computer	L M	The Village Council's electronic records are stored on a Council computer at the Clerk's home. Files are reconciled on a live basis to a Microsoft Cloud backup service and every three months onto a USB drive held by the Chair.	Existing procedure adequate.	Clerk
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place. Ensure Fidelity checks are in place.	Existing procedure adequate. Review insurance provision annually. Review of compliance.	Clerk

Subject	Risk(s) Identified	H/M/L	Control of Risk	Review/Assess/Revise	Responsible
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 Act	Policy Provision	L	The Council has a model publication scheme for Local Councils in place. The Council is able to 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 location	Adequacy Health & Safety	L M	The Village Council Meetings are held at the Village Hall. The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health & Safety and comfort aspects.	Existing Health & Safety Policy, Village Hall Risk Assessment and Fire Safety Assessment are reviewed annually. Weekly risk assessment is undertaken by the Clerk.	Clerk/Council
Noticeboards	Risk/damage/injury to third parties Road side safety	L L	Village Council has three notice boards sited around the Village. All locations have approval by relevant parties, insurance cover, inspected regularly by the Clerk - any repairs/maintenance requirements brought to the attention of the Village Council. Keys held by the Clerk.	Existing procedure adequate.	Clerk
Defibrillators	Access, damage and functionality	H	Village Council have two defibrillators. Clerk checks both monthly to ensure access, functionality and pads within date.	Existing procedure adequate	Clerk
Minutes, Agendas, Notices, Statutory Documents	Accuracy and legality Business conduct	L 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. Business conducted at Council meetings should be managed by the Chair.	Existing procedure adequate. Guidance/training to Chair should be given (if required). Members to adhere to Code of Conduct	Clerk/Council
Members interests	Conflict of interest Register of Members interests	M M	Councillors have a duty to declare any interests at the start of the meeting. Register of Members Interest forms to be reviewed annually by Councillors.	Existing procedure adequate. Members to take responsibility to update the Register.	Clerk/Council
Councillor and	Bringing the Council into	M	Councillors understand and receive training on the Code	Existing procedure adequate.	Clerk/Council

Subject	Risk(s) Identified	H/M/L	Control of Risk	Review/Assess/Revise	Responsible
staff	disrepute		of Conduct. A professional approach is undertaken on all Village Council matters.		
Risk Assessment & Risk Register	Failure to assess new risks or re-assess risk register	M	The Risk Register will be a minuted annually and any new procedure / activity will go through the risk assessment process and then added to the risk register	Existing procedure adequate.	Clerk/Council
Compliance with legislation, Standing Orders, Financial Regulations	Lack of knowledge of rules and regulations	L	Councillors have access to Standing Orders and Financial Regulations and a copy of The Good Councillors Guide and The Good Councillors Guide on Finance & Transparency	Standing Orders and Financial Regulations are reviewed annually	Clerk/Council
VAT	Failure to claim correct amount of VAT	L	VAT analysis is carried out by the Clerk on all purchases and contracts, a six monthly claim is made by the Clerk to HMRC for VAT recovery. The Clerk will also present a quarterly VAT report to the Council	Existing procedure adequate.	Clerk
Hall Booking System	Website Fails Loss of data	M	A manual system can be implemented immediately should the website fail. Bookings maintained on electronic cloud diary and on Council computer. Data backed up every two hours to separate drive and to Microsoft Cloud service. Paper list of bookings printed monthly held by the Clerk.	Existing procedures adequate. Reviewed annually.	Clerk

RELEVANT DOCUMENTATION

- Standing Orders
- Financial Regulations
- Code of Conduct
- Equality Act 2010
- Employment Rights Act 1996
- Data Protection Act 2018
- Local Government Act 1972
- Local Government Act 2000
- Audit Commission Act 1998
- Local Government & Rating Act 1997
- Local Government Act 2003
- Local Audit and Accountability Act 2014
- Localism Act 2011