

SOUTH WONSTON PARISH COUNCIL

RISK MANAGEMENT SCHEDULE

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.

Purpose of Document

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is aware that although some risks can never be eliminated fully, it is developing a strategy that provides a structured, systematic and focuses approach to managing risk, which:

- Identifies the key risks facing the council
- Identifies what the risk may be
- Identifies the level of risk
- Evaluates the management and control of the risk and records findings
- Reviews, assesses and revises procedures if required.

Responsibility

South Wonston Parish Council is committed to identifying and managing risks using procedures and ensuring that risks are maintained at an acceptable level. Any action that is felt necessary to undertake to reduce risks will be done so by South Wonston Parish Council.

The Clerk, Responsible Finance Officer (RFO) and nominated Councillors will review risks on a regular basis, including any newly identified risks, and report regularly to the Parish Council. The review will include identification of any unacceptable levels of risk.

Members are ultimately responsible for risk management because risk threatens the achievements of policy objectives.

Members should therefore:

- a) take steps to identify key risks facing the Council;
- b) evaluate the potential consequences to the Council if an event identified as a risk takes place;
- c) decide upon appropriate measures to avoid, reduce or control the risk or its consequences.

| MANAGEMENT | | | | |
|------------------------------|---|--------------|--|--|
| Subject | Risk(s) Identified | H/M/L | Management/Control of Risk | Review/Assess/Revise |
| Business Continuity | Council not being able to continue its business due to an unexpected or tragic circumstance | L/M | All computer files are backed up on a regular basis onto an external hard drive. Paper records are more at risk, consideration should be given to risk of loss. Important documents should be scanned electronically or kept in secure storage. Deeds are held with solicitors. In the event of the clerk being indisposed the Chairman to contact HALC for advice/support. Loss of Key Man insurance in place with Aviva via Came & Co. | Review annually Assess ongoing to improve procedures. Ensure other procedures are followed |
| Meeting Location | Adequacy Health and Safety | L | Meetings are held in Parish Room which has available disabled access. Health & safety considered adequate. | Review bi-annually |
| Council records - paper | Loss through theft, fire, flood or other damage | L | Important documents should be scanned electronically or kept in secure storage. Deeds are held with solicitors. Older minutes are held electronically as well as manually and historical documents are archived in Clerk's office. Document Retention & Disposal Policy adopted September 2015. | Likelihood is low Review bi-annually |
| Council records – Electronic | Loss through damage, fire, flood, corruption of data | L/M | Regular backup to external drive taken from office PC, Data is stored on an external hard drive taken home by Parish Clerk. Laptop is operated from this external drive. | Consideration should be given to cloud based solutions |

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| | | | As part of Business Continuity there is a disaster recovery process | Process to be created for Disaster Recovery |
| Staff | Loss of Parish Clerk | M | Keyman insurance cover provided by Aviva via Came & Co. Arrangements can be secured via HALC | Maintain annually |
| | Resignation & illness of Councillors | L | Unable to run a councillor meeting as not in quorate. Arrangements need to be made to cover this. | Maintain annually |
| | Fraud | L | Fidelity guarantee in place via insurance. Councillors carry out regular review of bank reconciliation. | Regular review |
| | Actions carried out | L | Regular reporting of actions completed and outstanding via action plan reports to council/committees. Staff to be adequately trained and review carried out via appraisal process. | Appraisal process |

| FINANCE | | | | |
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| Subject | Risk(s) Identified | H/M/L | Management/Control of Risk | Review/Assess/Revise |
| Precept | Adequacy | M | Sound budgeting to underlie annual precept. The Parish Council regularly receives budget update. Existing procedure adequate information and detailed budgets in the late autumn. Backed by financial regulations. The precept is an agenda item at the January meeting. Reviewed by Internal audit | Existing procedure adequate |
| Insurance | Adequacy Cost Compliance Fidelity Guarantee | L L L L | Comprehensive review undertaken in 2014. Currently in a 3 year fixed deal which is due to end October 2017. Additional measures underway locks completed, fire and electrical safety in progress. Annual PAT testing takes place. Fidelity Guarantee is the same for all Parish Councils with a precept of £100K. | 3 year agreement expires 2018. Review all 3 companies offered. Undertake Fire risk review |
| Banking | Inadequate procedures | L | Control identified in Financial Regulations, process via sign off by councillors, review by internal audit and internal controls | Review via Financial Regulations annually |
| Cash | Loss via theft or dishonesty | L | Limited cash transactions. Income receipted and banked in accordance with financial regulations. No petty cash held. | Existing procedures adequate Review via Financial Regulations annually |
| Financial controls and records | Inadequate checks | L | Reconciliation checked by councillor and reported to Parish Council. Two signatories on cheques following sign off on invoices / payroll documentation. Internal and external audit cross check this. All payments must be clearly minuted. Any s137 payments recorded | Existing procedures adequate Review via Financial Regulations and internal controls annually |
| Salary | Incorrect payment or process | L | Use of HMRC Basic Payroll Tool in-house. Payroll records accompany payment for sign off by councillors. | Existing procedures adequate Review via Financial Regulations and internal |

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| | | | | controls annually |
| VAT | Reclaim not processed | L | Reporting to Parish Council meeting via financial reports. Clerk to reclaim VAT quarterly. | Existing procedures adequate Checked by internal audit twice a year |
| Annual Return | Not submitted in time | L | Council aware of timing process by 30 th June, Annual return completed and signed by the council, submitted to the internal auditor for section completion. Checked and sent on to the external auditor | Existing procedures adequate |

| PROCEDURAL | | | | |
|------------------------|---------------------------|--------------|---|--|
| Subject | Risk(s) Identified | H/M/L | Management/Control of Risk | Review/Assess/Revise |
| Freedom of Information | Non-compliance with Act | L M | The Council has a publication scheme for Local Councils in place reviewed in November 2015. Limited number of requests for information to date. Regular reporting on requests received. Introduce documented procedure | Introduce documented procedure for dealing with requests. Monitor and report impact of requests made |
| Data Protection | Non-compliance with Act | L M | Registration made April 2015 Limited requests Introduce documented procedure | Introduce documented procedure for dealing with requests. Monitor and report impact of requests made |

| LIABILITY | | | | |
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| Subject | Risk(s) Identified | H/M/L | Management/Control of Risk | Review/Assess/Revise |
| Legal Powers | Illegal activity or payments | L | All activities and payments made within the powers of the parish council, resolved and clearly minuted. Clerk to be trained. | Ongoing review |
| | Committees exceeding delegated authority | L | Establish Clear terms of reference, minutes to Council for approval | Annual review |
| | Working Groups taking decisions | L | Clear referencing, councillor training. | Annual Review |
| Minutes, Agendas and standing documents | Accuracy and legality | L | Minutes and agendas are produced in the prescribed method and adhere to legal requirements. Minutes are approved and signed off at the next meeting. Minutes and agendas are displayed according to legal requirements. | Review on regular basis |
| | Non Compliance with Statutory requirements | | Business conducted at the council is managed by the chairman with advice from a trained clerk Standing Orders & Financial Regulations based on NALC models | Chairman training Annual review |
| Public liability | Risk to third party property or individuals | M | Insurance is in place, risk assessments of individual events to be undertaken | Consider written risk assessments |
| Employers Liability | Non Compliance with legal requirement | L | Insurance in place. Ensure adequate training & procedures for councillors and Clerk | Employment law training |
| Legal Liability | Legality of activities | L | Clerk adequately trained and has access to advice via SSALC and SLCC membership | Maintain membership of SSALC/NALC and SLCC |

COUNCILLOR PROPRIETY

| Subject | Risk(s) Identified | H/M/L | Management/Control of Risk | Review/Assess/Revise |
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| Code of Conduct | Non compliance | M | Adopted code 2012, Councillors given copy upon election/co-option. Clerk willing to give informal advice. Consider training for councillors. | Councillor training by Monitoring Officer |
| Members Interests | Conflict of interest Failure to register interests | M L | Agenda item on every meeting Councillors aware of duty and reminded regularly about requirements. Clerk willing to give informal advice. | Existing procedures adequate Annual review |

| ASSETS | | | | |
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| Subject | Risk(s) Identified | H/M/L | Management/Control of Risk | Review/Assess/Revise |
| Asset Register | Assets not recorded | L | An asset register is established and presented to Finance Committee for review. Insurance is held at the appropriate level for all items. Regular checks are made on equipment by staff or members of the council. | Document checks in a more thorough way |
| Maintenance of assets | Poor maintenance leads to loss or injury Poor performance of assets or amenities. Loss of income or performance Risk to third parties | M | Improve maintenance schedule and recording Provide adequate budget Review insurance | Review and document |
| <i>LIST INDIVIDUAL ASSETS and REVIEW RESPONSIBILITIES</i> | | | | |
| Draft prepared February 2017 | | | | |
| Approved: March 2017 | | | | |
| Review: March 2018 | | | | |