

Princethorpe Parish Council

Risk Management Policy

The Parish Council is responsible for putting in place arrangements for the management of risk. The Clerk shall prepare, for approval by the council, risk management policy and assessment in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Council at least annually. When considering any new activity, the Clerk with the Chair shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

Major Threat

The greatest risk facing the council is not being able to deliver the activity or services expected by village residents. Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that enable the Parish Council to identify any and all potential risks inherent in the place or practices. Based on a recorded assessment the Council should then take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible, making sure that all employees are made aware of the results of the risk assessment. 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. In conducting this exercise, the following main points have been followed and the register constructed accordingly.

Identify the areas to be reviewed.

Identify what the risk may be.

Evaluate the management and control of the risk and record all findings.

Review assess and revise if required.

Points and areas identified are dealt with in the tables that follow and assessed and recorded accordingly:

Financial & General Management

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Business Continuity	Risk of Council not being able to continue its business due to an unexpected event or tragic circumstance	L	Powers are delegated annually to the clerk, and within the Financial Regulations. All signatories will remain on the bank mandate after an election until new councillor can be added.	Annually
Precept Determination	Fit for purpose	L	Councillors receive monthly financial updates, and a budget which is used to set the precept. statements of how the accounts are performing against budget.	Process used has been established for some time and operates effectively
Precept Income	Income not received from RBC or reduced from January's projected amounts	L	Reserves value is one years operating as a minimum.	Procedure set to mitigate this risk
Financial Records	Financial irregularities	L	The Council has Financial Regulations, which set out requirements for banking, cheques and reconciliation of accounts.	Review Financial Regulations annually
	Bank errors or Bank Losses	L	Two signatures required per cheque. RFO checks bank statements monthly against approved expenditure for internet banking purposes.	
	Internet fraud	L		
Cash	Loss through theft or dishonesty	L	Council requirements are set out in the Financial Regulations. Cash received is banked within 3 banking days if possible. No petty cash or float held.	Existing procedures are adequate and finance regulations are reviewed annually.

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Reporting Auditing	Auditing and Governance	M	Council undertakes internal and external independent audits.	Council appoints an independent Auditor annually
Cost Overheads	Services not supplied but invoiced	L	Council approves all invoices for payment and only approves when goods supplied or work completed	Procedures proven to be satisfactory.
Bad Debt	Incorrect invoicing	L	List of invoices prepared for approval by Councillors every month.	Procedures proven to be satisfactory over many years. Financial regulations check annually
	Cheque payable incorrect	L	Two signatories check each invoice against the cheque book and associated paperwork and initials related cheque stubs.	
	Loss of stock	L	Minimum stock held	
	Unpaid invoices	L	Unpaid Council invoices for adverts, bulletins or services are pursued and if practical payment obtained in advance.	
Payment Approval	Payments authorised by full council only	L	All payment transactions made following the finance regulations process and are presented monthly at Council meeting for review in a due payments list	Procedures proven to be satisfactory over many years. Financial regulations check annually
Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise

Grants Received	Grants are applied for against specified projects	L	Grant applications are prepared by the RFO in conjunction with the relevant councillor and approved by the council. The RFO checks progress and reports back when the application result is determined. Grants normally have conditions of use attached, these being checked and monitored by the Clerk.	The application process determines the procedure to be followed if at variance from the financial regulations.
Achieving Best Value	Multiple quotes for larger projects	L	The finance regulations dictate when multiple quotes are required. Professional contractors used to project manage the contractor. Project specification produced for significant tenders as part of the tender process.	Existing procedures checked annually.
	Project overspend	M	Each significant project has a committee or nominated councillor. Committee and Clerk check the delivery against specification and reports shortfalls to the Council.	
Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise

Salaries and Expenses	Salaries incorrect, wrong hourly rate or hours worked	L	Salaries assessed annually by the HR committee and recommendations made to Council. Figures incorporated in budget calculations. Hours worked checked and approved by Clerk and HR Committee and reported to Council monthly.	Existing procedures checked annually.
	Fraud or incorrect claims	L	Expenses must be approved. Mileage claims paid on completion of claim form and receipts provided. Mileage claim rates match those recommended by NALC.	
	Wrong deductions of NI or Tax Unpaid Tax & NI contributions to Inland Revenue		Use of HMRC Basic Real Time System.	
Employees	Loss of key staff or long term illness, resignation or misconduct. Health and Safety training requirements.	M	Clerk considered only critical staff member. Temporary replacements for sickness sought using WALC.	WALC advice and recommendation sought. Personnel subcommittee formed to interview candidates. Recommended candidates approved by full Council
	Task specific training needed.	L	Training sources and budget available	
	Risk	H/M/L	Management/control of risk	Review/Assess/Revise

Topic				
Election Costs	Risk of unexpected election	L	Council precepts for election costs each year. RBC monitoring office advice sought annually on potential election costs	Reserves used to meet election costs if necessary
VAT	Re-claiming/charging	L	Requirements set out in the financial regulations	Existing procedures checked annually
Annual Return	Completed and submitted in time limits	L	Annual Return is completed and submitted to the internal auditor for checking. Approved by Council and signed before sending to the External Auditor within time limit.	Existing procedures adequate
Legal Powers	Illegal activity or decision making	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Full Parish Council Meetings, Clerk to ensure appropriate powers are available.	Decision made form part of the minutes
Agendas, Minutes & significant reports	Accuracy and legal	L	Minutes and agenda are produced by the Clerk to defined standards 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 as a minimum on the website. Council meetings managed by a Chairman.	Standing Orders followed and adequate.

Members Interests	Conflict of Interests and register of Interests	L	Standing Orders require declaration of interests at each Parish Council meeting by members. Register of Members Interest in the public domain and should be reviewed regularly by Councillors.	Existing procedures are adequate Members reminded to review their entry. Clerk responsible for ensuring new Councillors register their interests
Insurance	Meets needs and competitive	L	Reviewed annually prior to policy renewal. All associated liability covered. Policy updated as new assets added. Employee cover adequate and current.	

Recreation Areas, Trees and Assets

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Assets	Loss or damage	L	Annual review of assets undertaken.	Adequate inspections undertaken
	Risk of damage or injury to third parties			
Recreation Areas	Fosse Crescent Playing Field	L	Areas regularly inspected by handyman and members of the public who report to the Clerk. The Parish Council also invests in a full RoSPA playground inspection annually and takes actions notable items.	Adequate inspections undertaken
Notice Boards	Loss through fire or theft	L	Notice board located on Leamington Rd. All covered by insurance policy and inspected regularly.	Adequate inspections undertaken
Slips, trips and falls.	Member of public is injured on Council owned land or equipment	L	Adequate public liability insurance renewed annually.	Adequate inspections undertaken of all equipment
Trees	Poor state, damage or over-grown.		Three-yearly professional inspection and register of trees.	Review regularly by the public also.