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| <b>Meeting Date:</b>   | <b>25<sup>th</sup> March 2020</b> |
| <b>Report Subject:</b> | <b>Risk Management Policy</b>     |
| <b>Contact:</b>        | <b>Clerk/Chairman</b>             |

**Ref: 21 Risk Management Policy**

The following 3 pages identifies various risks attendant on the aspects of running a parish council.

The Policy identifies those risks, estimates the likelihood of them happening and sets out the steps to be taken to mitigate them.

**HIGHCLIFFE & WALKFORD PARISH COUNCIL \_ RISK MANAGEMENT ASSESSMENT 2020**

| <b>Subject</b>         | <b>Risks Identified</b>   | <b>Likelihood<br/>H/M//L</b> | <b>Management Control of Risk</b>   | <b>Review/Revise/<br/>Adequate</b> |
|------------------------|---|------------------------------|---|------------------------------------|
| <b>Assets</b>          | Loss of, or diminution of, Assets: <ul style="list-style-type: none"> <li>➤ Roeshot Hill Allotments</li> <li>➤ Walkford Allotments</li> <li>➤ Nea Meadows Country Park</li> <li>➤ Wingfield Recreation Ground &amp; Pavilion</li> <li>➤ Lakewood Open Space</li> <li>➤ Public Benches</li> <li>➤ Office Furniture &amp; Equipment</li> <li>➤ Chain of Office</li> </ul> | M                            | <ul style="list-style-type: none"> <li>• Insurance Cover for all assets</li> <li>• Asset Register</li> <li>• Regular visits and inspections</li> <li>• Signage and Labelling</li> <li>• Key security</li> <li>• Fire Extinguishers</li> <li>• Annual Electrical checks</li> </ul>   | Adequate                           |
| <b>Financial Risks</b> | <ul style="list-style-type: none"> <li>➤ Loss of Cash</li> <li>➤ Under-charging for use of assets</li> <li>➤ Payroll penalties by HMRC</li> <li>➤ Fraud</li> <li>➤ Bank fraud/mistake</li> </ul>  | L                            | <ul style="list-style-type: none"> <li>• Insurance including Fidelity Guarantee</li> <li>• No petty cash on premises</li> <li>• Regular review of fees/charging policies</li> <li>• Large costs subject to quotes</li> <li>• Employment of Payroll specialist</li> <li>• Internal auditor reports</li> <li>• Systems checks including Financial Regs</li> </ul> | Adequate                           |
| <b>Councillors</b>     | <ul style="list-style-type: none"> <li>➤ Loss of Councillors</li> <br/> <li>➤ Members' Interests</li> </ul>   | M<br><br>L                   | <ul style="list-style-type: none"> <li>• Remain quorate at all times either by following statutory process to have a bye-election or by using approved co-option process.</li> <li>• Register of Members' interests maintained;</li> <li>• Declaration of interest at every meeting</li> </ul>  | Review<br><br>Adequate             |

| Subject                  | Risks Identified                 | Likelihood<br>H/M//L | Management Control of Risk  | Review/Revise/<br>Adequate |
|--------------------------|----------------------------------|----------------------|---|----------------------------|
| <b>Budgetary Control</b> | ➤ Adequacy of Precept            | L                    | <ul style="list-style-type: none"> <li>Budget requirements (incorporating views of residents) in December in good time to notify BCP of precept need for the year ahead.</li> </ul>   | Adequate                   |
|                          |                                  | L                    | <ul style="list-style-type: none"> <li>Sufficient general reserves maintained.</li> </ul>   | Adequate                   |
|                          | ➤ Use of S137<br>➤               | L                    | <ul style="list-style-type: none"> <li>Each use of the power controlled by Council within statutory requirements.</li> </ul>  | Adequate                   |
|                          | ➤ Overspending available funds   | L                    | <ul style="list-style-type: none"> <li>Financial Regulations set out detailed requirements for control. All major expenditure authorised by Council; All large invoices inspected by Chairman; quarterly reports to Council; adequate Reserves maintained.</li> </ul> | Adequate                   |
|                          | ➤ Financial Mis-management       | L                    | <ul style="list-style-type: none"> <li>Adequate records maintained and inspected; regular internal audit carried out; bank reconciliations inspected monthly by independent Councillor; online banking strictly controlled</li> </ul>                                 | Adequate                   |
| <b>Legal Matters</b>     | ➤ Litigation against the Council | L                    | <ul style="list-style-type: none"> <li>Public Liability insurance</li> </ul>  | Adequate                   |
|                          | ➤ Acting Ultra Vires             | L                    | <ul style="list-style-type: none"> <li>All proposals scrutinised by Council. If in doubt legal advice taken.</li> </ul>   | Adequate                   |

| Subject                       | Risks Identified  | Likelihood<br>H/M/L                          | Management Control of Risk   | Review/Revise/<br>Adequate  |
|-------------------------------|---|--|--|---|
| <b>Business Continuity</b>    | ➤ Risk of Council being unable to continue due to unexpected tragic or momentous events beyond its control  | L  | <ul style="list-style-type: none"> <li>• In the final analysis BCP take over duties of the parish council.</li> </ul>  | Review  |
| <b>Other Matters:</b>         | <ul style="list-style-type: none"> <li>➤ Inaccurate recording of Council decisions</li> <li>➤ Annual Return late submission</li> <li>➤ Failure to comply with Freedom of Information Act</li> <li>➤ Health &amp; Safety -risks to third parties</li> <li>➤ Loss of Council records</li> </ul> | <p>L</p> <p>L</p> <p>L</p> <p>L</p> <p>L</p> | <ul style="list-style-type: none"> <li>• Minutes approved and signed at next meeting.</li> <li>• Signed copy approved by Council; checked by internal and external auditors.</li> <li>• Model scheme approved</li> <li>• Satisfactory Insurance cover</li> <li>• Current and recent paper records stored in locked containers; older records to be securely stored off site.</li> <li>• Electronic records stored on Clerk's computer backed up at regular intervals.</li> </ul> | <p>Adequate</p> <p>Adequate</p> <p>Adequate</p> <p>Adequate</p> <p>Review</p> <p>Review</p> |
| <b>Proper Officer (Clerk)</b> | Inability through sickness or otherwise to continue to discharge the duties of the post   | M  | If the situation arises but is thought to be temporary, provision can be made in the short term for a locum clerk to be appointed. As this would be a costly option (estimated at 30% more than our current budget) early action will be taken to secure a permanent solution.   | Adequate  |