

Diptford Parish Council - Risk Management Policy

Adopted by Council 12th May 2020

Due for review May 2021

Financial, General Management and Playing Field

Topic	Risk	H/M/L	Management / control of risk	Review / Assess / Revise
Precept determination	Ensuring process is fit for purpose	L	Councillors receive monthly bank reconciliations and quarterly budget updates. Budget setting involves review of current year budget against targets and discussion of planned expenditure for the following year budget.	Process used has been established for some time and operates effectively. Continue u.f.n.
Precept income	Precept income not received	L	Reserves are sufficient to cover at least one year's operating values as a minimum.	Procedure mitigates this risk. Continue u.f.n.
Financial records	Financial irregularities	L	The Council has Financial Regulations in place which are reviewed annually and which set out requirements for banking, cheques signatories and reconciliation of accounts	Financial Regulations reviewed annually by the Clerk and presented to full Council.
	Bank errors or losses	L	Two Councillor signatures are required per cheque. Clerk checks bank statements monthly against approved expenditure to balance the accounts.	Bank signatories/procedures are reviewed annually and changes are made accordingly.
Cash	Loss through theft or dishonesty	L	No cash is held – all transactions go through the bank accounts	Process mitigates this risk – continue u.f.n.

Reporting and Auditing	Information communicated	L	Receipts and Payments statement reviewed and signed off by full Council monthly	Existing process works well – continue u.f.n.
	Auditing and Governance	M	Council undertakes annual internal and external audits as required by proper processes	Council appoints an independent Internal Auditor annually and an External Auditor is allocated. Process works well. Continue u.f.n.
Cost overheads	Services not supplied but invoiced	L	Clerk reviews all invoices presented for payment and full Council approve payment on Clerk's recommendations when work has been satisfactory completed/goods have been received.	Procedures work well – continue u.f.n.
Payment approval	Payment authorised by full council only	L	All payment transactions are presented at full monthly Council meetings for review and authorisation	Procedures work well – continue u.f.n.
Grants received	Grants applied for against specified projects	L	Grant applications are prepared by the Clerk under delegated authority from the Council and are checked by full Council prior to submission. Applications are monitored by the Clerk.	Process works well – continue u.f.n.
Achieving Best Value	Multiple quotes for larger projects.	L	Number of required quotes follow the rules within the Council's Financial Regulations and Standing Orders.	Existing procedures work well. Financial Regulations and Standing Orders are reviewed annually.

Salaries and expenses	Salaries incorrect, wrong hourly rate or hours worked	L	Salaries assessed annually by the Council against NALC payment scales. Figures incorporated in budget calculations. Hours worked checked against timesheets. PAYE, NI and pension contributions checked against Inland Revenue on-line software and process.	Clerk oversees and procedures are checked annually. Continue u.f.n.
	Fraud or Incorrect claims	L	Expenses must be approved and claimed in arrears and authorised by full Council.	
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 replacement from unpaid Councillor position or longer term from a Locum Clerk via the DALC website.	Advice to be sought through DALC with full Council making any final decisions. Training requirements reviewed at 6 monthly employment reviews. Training confirmed by full Council.
	Task specific training needed.	L	Training sources available through DALC and SLCC. Budget funding allocated annually.	
Election costs	Risk of unexpected election	L	Council considers the allocation of precept funding each year towards election costs.	Reserves used to meet election costs if required. Process works well. Continue u.f.n.
VAT	Reclaiming	L	Clerk responsible for re-claiming VAT at least annually.	Procedures work well – continue u.f.n
Annual Return	Completed and submitted within time limits	L	Clerk completes the Annual Return which is signed off by full Council prior to Internal and Existing audits in conjunction with required procedures.	Procedures work well. Continue u.f.n.

Legal powers	Illegal activity or decision-making	L	Clerk checks that powers are available in accordance with Council resolutions prior to any finalisation or payment. All resolutions are minuted.	System works well – continue u.f.n
Agendas, Minutes & significant reports	Accuracy and legal	L	Minutes and agenda are produced by the Clerk in accordance with proper procedures. Agendas are posted with 3 clear days' notice in accordance with regulations. Minutes are circulated and published in draft within 2 weeks of a meeting and signed off at the next full Council meeting.	Process follows proper procedures. Continue u.f.n.
Members Interests	Conflicts of Interest and Register of Interests	L	Interests feature on every Council meeting agenda and Standing Orders are followed. Members Interest are in the public domain and Councillors have a responsibility to review details at least annually.	Existing procedures are adequate. Clerk responsible for ensuring new Councillors register their interests. Continue u.f.n.
Insurance	Meets needs and competitive	L	Reviewed annually by the Clerk, plus 1 Councillor, to ensure adequacy prior to reporting recommendations to full Council. Clerk to update policy when new assets are identified. Employee cover adequate and current.	Zurich Municipal 1 st June – 31 st May 2020. Review March 2020
Data Protection	Data protection rules followed	L	ICO registration completed annually by the Clerk.	No issues – continue u.f.n.
Freedom of Information	Policy availability	L	FoI policy in place and published. Policy reviewed regularly.	No issues – continue u.f.n.
Play equipment	Loss or damage Risk of damage or injuries to third parties	L	Annual review of assets undertaken. Equipment inspected fortnightly by a member of the Playing Field group and documented.	Annual checks reviewed. Process working well. Continue u.f.n.

			Annual inspections arranged by the Clerk and presented to full Council to take any required actions.	
Notice board	Risk of damage or injuries to third parties. Location suitability	M	Notice boards located in School Lane. Covered by insurance and inspected regularly	No issues – continue u.f.n
Street furniture	Risk of damage or injury to third parties. Location suitability	L	Street furniture covered by insurance policy and inspected regularly by Councillors.	No issues currently. Continue with weekly inspections u.f.n.
Meeting Location	Adequate provision and H&S checked.	L	PC meetings currently held in the village hall. Regular meeting events booked 12 months in advance. Insurance held by the venue.	No issues – continue u.f.n.
Council Records – paper	Loss through fire or theft	L	Electronic records held on PC laptop and hard copies held of minutes/agendas and important documents in a cupboard at Clerk's home address and in secure cupboards in the Village Hall. External hard drive kept off site.	Process working well. Continue u.f.n.
	Computer failure	M	Monthly backups taken and external hard-drive held at alternative premises. (Clerk's workplace)	Process working well. Continue u.f.n.
Trees	Trees or branches posing a safety problem to the public where unrestrictive right of access is available	M	All councillors monitoring with any issues reported to full Council. Professional Tree Surgeons contracted when work is identified and resolved.	Regular reviews to continue u.f.n.

Miscellaneous

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Poor reputation of the Council	The work of the Council is not understood leading to negative feedback from parishioners and dissatisfaction with the way services are carried out	L	Regular use of communication channels including web site and newsletters to explain the Council's activities.	Regular reviews to continue u.f.n.
Poor stakeholder relationships	Perceived or real breakdown in communications between tiers of local government or between the PC and other public providers	L	PC to understand the services provided by others and to discuss areas of joint interest periodically. The PC to respond to consultations to put its point of view across adequately.	Regular reviews to continue u.f.n.
Lack of training or time to undertake the role of the PC	Inadequate knowledge or specialist ability may lead to poor decisions	L	Adequate training budget available. Encourage training for Councillors and staff	Process working well – continue u.f.n.