

Burghclere Parish Council

Risk Management

Policy

Risk Management is one of the council's key responsibilities and ensures that the required duties relating to Governance and Accountability are adhered to, as well ensuring risks are managed effectively in order to protect its employees, assets, liability and community against potential losses. Regular reviews of systems, budget setting and insurance arrangements are all constant and recurring, however the council will at least once a year:

- Identify, update and record key risks
- Assess potential consequences of crystallisation of risks
- Made decisions about avoiding, reducing or controlling risks
- Record what actions have taken place in the minutes

Roles and Responsibilities

It is important that Risk Management is embedded throughout into the everyday culture of the council, with roles and responsibilities set out to ensure that risk is managed effectively.

Councillors

Risk Management is seen as a key part of councillors' stewardship role and there is an expectation that councillors will lead and monitor the approach taken.

Employees

Will undertake their roles within risk management guidelines, ensuring their skills, knowledge and experience are used effectively. They should report any risks relating to their roles promptly using the appropriate method.

The Clerk will have the additional role of overseeing the administration of this register, in consultation with the council and external advisors as necessary. They will ensure the Risk Register is maintained and that the insurance policy is reviewed at least annually, along with all other statutory documents.

Responsible Financial Officer

The Clerk acts as the Responsible Financial Officer, and as such will have additional responsibilities relating to the risks that relate specifically to financial matters.

Internal Auditor

The annual Internal Audit ensures there is an independent scrutiny of financial and operational risks. The reports provided, together with the recommendations contained within it, are shared with the council and help to shape the Annual Governance Statement.

Risk Register

The council recognises that it is not possible to eliminate all risks but intends to regularly review, identify and understand how they can be managed in order to reduce the likelihood of them occurring, as well as the impact they would have should they occur.

Insurance

Not all of these risks are insurable and for some the premiums may not be cost effective. However, the council will ensure that the insurance policy provides the following mandatory cover:

- Employers & Public Liability
- Money
- Fidelity Guarantee
- Officials Indemnity
- Libel & Slander
- Legal Expenses

Even where insurance is available, a monetary consideration might not be an adequate recompense. The emphasis should always be on eliminating or reducing risk before costly steps to transfer risk to another party are considered.

The risk subject areas below have been assessed and on the likelihood of them occurring and the impact they would cause should they occur, with the levels being identified and colour coded as follows:

Low Risk

Medium Risk

High Risk

Subject	Risks Identified	Management of risk	Review
Accounting & Payroll			
Costs Expenses Debts VAT	<ul style="list-style-type: none"> • Incorrect invoicing • Incorrect payment • Loss of income -unpaid invoices • Charges incurred - unpaid invoices • Fraud 	<ul style="list-style-type: none"> • Financial Regulations in place • List of payments and corresponding paperwork presented to councillors for approval in meetings. • Payments are prepared in accordance with invoices and are made promptly usually via bank transfer. • Dual authorisations system is in place for payments made via bank transfer. • Cheques signed by two signatories. • Standing Order and BACS payments must be processed in line with the Financial Regulations policy • Overdue receipts due monitored and pursued. • On a regular basis, and at least at the end of the financial year, the Clerk should provide a copy of the bank reconciliation and corresponding bank statement to one Councillor who is not a signatory. 	Annually: <ul style="list-style-type: none"> • Risk Register • Financial Regs • Bank signatories & mandates • Insurance
Precept Budget	<ul style="list-style-type: none"> • Adequacy of precept • Non receipt of precept • Budget inadequate or not monitored 	<ul style="list-style-type: none"> • Precept is determined based on budgetary information and set at full council meeting. • Precept request submitted within the deadline. 	Annually: <ul style="list-style-type: none"> • Risk Register • Financial Regs • Bank signatories

		<ul style="list-style-type: none"> • Precept is paid direct into the parish bank account in two instalments. • Non receipt of precept payments to be investigated promptly. • Regular budget monitoring reports provided to council. 	<ul style="list-style-type: none"> • Future budget and Precept <p>Monthly Review:</p> <ul style="list-style-type: none"> • Current budget
Financial Records	<ul style="list-style-type: none"> • Inadequate records • Irregularities 	<ul style="list-style-type: none"> • Financial regulations in place • Financial records are kept and regular reports to councillors. • Annual internal audit undertaken. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register • Financial Regs
Banking Cash	<ul style="list-style-type: none"> • Loss of signatories • Bank mistakes • Loss of income • Theft/Dishonesty 	<ul style="list-style-type: none"> • Financial regulations in place. • Signatories should be removed from bank accounts promptly as required. • Minimum of three bank signatories. • Income received in the form of cheques or cash should be banked promptly. • Reconcile bank account monthly. • VAT claims to be submitted regularly, and at least annually, • No Petty Cash is kept. • An internal audit is held annually. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register • Financial Regs • Bank signatories • Insurance
Insurance	<ul style="list-style-type: none"> • Not in place or renewed. • Inadequate cover. 	<ul style="list-style-type: none"> • Process renewal payments promptly. • Add to meeting agenda for annual review. • Ensure the following mandatory cover is included as a minimum: 	<p>Annually:</p> <ul style="list-style-type: none"> • Insurance • Asset Register
Elections	<ul style="list-style-type: none"> • Contested elections resulting in unexpected costs. 	<ul style="list-style-type: none"> • Monitor election dates and ensure adequate amount in reserves. 	<p>Annually:</p> <ul style="list-style-type: none"> • Reserves
Salaries Expenses Pensions	<ul style="list-style-type: none"> • Incorrect rate of pay • Incorrect deductions of NI and/or Tax • Failure to make required PAYE and/or NI contributions • Failure to comply with statutory pension requirements • Inadequate recruitment procedures 	<ul style="list-style-type: none"> • Statutory & Sector pay rates are monitored and reviewed annually. • Monthly salary analysis slips produced. • Basic Tools programme used to calculate PAYE & NI payments due. • RTI schedule submitted to HMRC monthly & within the prescribed timeframe. • Expenses reimbursed on production of invoices or receipts. • Statutory pension requirements reviewed annually. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register • Financial Regulations • Pension requirements • Salaries • Statutory & Sector pay rates
Governance			
Employees	<ul style="list-style-type: none"> • Loss of Staff • Incompetence – lack of training • Health & Safety • Injuries 	<ul style="list-style-type: none"> • Recruitment procedures to comply with statutory requirements and good practice. • Councillor to act as clerk if temporary meeting cover required. • Longer term cover sought from a neighbouring parish or via locum. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register. • Insurance. • Health & Safety Policy.

	<ul style="list-style-type: none"> Well-being 	<ul style="list-style-type: none"> Employees encouraged to undertake relevant training and be provided with the necessary reference resources. Employees able to seek professional advice if required. Adequate insurance to be in place. Health & Safety Policy in place. Risk assessments in place for Clerk and Litterwarden. Working practices to be regularly reviewed. Well-being policy in place. Zero tolerance approach to bullying or harassment. Employment contracts and job descriptions in place and compliant with statutory requirements. Disciplinary policy in place. 	<ul style="list-style-type: none"> Well-being Policy Contracts & Job descriptions. Working Practices.. Training plan. Risk Assessments.
Meeting conduct	<ul style="list-style-type: none"> Legality & Accuracy Business Conduct Loss of reputation 	<ul style="list-style-type: none"> Agendas and Minutes are produced and published in line with statutory requirements. Meetings conducted in accordance with statutory documents, including Standing Orders, Financial Regulations and Code of Conduct 	<p>Annually:</p> <ul style="list-style-type: none"> Risk Register. Code of Conduct, Standing Orders. Financial Regs.
Councillors	<ul style="list-style-type: none"> Losing membership Becoming inquorate Conflict of interest Incompetence. Poor well-being. 	<ul style="list-style-type: none"> Legal processes to be adhered to when vacancies arise – either through by-election or co-option. Borough Council to be informed should the council become inquorate. Declaration of interest forms are completed and updated as required. Councillors are reminded of their duty to declare interests at every council meeting. Induction arrangements in place for new councillors. Training encouraged. Borough Council's Monitoring Officer to be informed of changes in Councillors. Well-being policy in place. Zero tolerance approach to bullying or harassment. 	<p>Annually:</p> <ul style="list-style-type: none"> Risk Register. Code of Conduct Standing Orders. Financial Regs. Well-being policy. Declaration of interest forms. Training.
Data Document retention Freedom of Information	<ul style="list-style-type: none"> Loss of data. Electronic corruption/virus. Data breach Inadequate procedure for responding to FOI requests 	<ul style="list-style-type: none"> Data to be processed in accordance with Data Protection Policy. Staff and councillors to be trained. Adequate IT and administrative resources to be available and utilised. Statutory transparency requirements adhered to. 	<p>Annually:</p> <ul style="list-style-type: none"> Risk Register. Code of Conduct Standing Orders. Financial Regs. Data Protection Policy.

		<ul style="list-style-type: none"> • Publication Scheme adopted and schedule of information published in place. • Documents to be retained in line with statutory requirements. 	<ul style="list-style-type: none"> • Publication Scheme. • Training.
Legal powers	<ul style="list-style-type: none"> • Illegal activity • Work awarded incorrectly • Overspend on services 	<ul style="list-style-type: none"> • Payments to be incurred in line with statutory powers. • Orders and contracts to be placed in accordance with statutory documents. • Budget monitoring document to be maintained. • Professional advice to be sought as required. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register. • Code of Conduct • Standing Orders. • Financial Regs. <p>Quarterly: Budget monitoring.</p> <p>Ongoing: Information sources providing guidance on legislation and good practice to be monitored.</p>
Business continuity	<p>Council not being able to continue business due to unexpected circumstances, such as tragic event or national emergency.</p> <p>Meeting location inadequate or unavailable.</p>	<ul style="list-style-type: none"> • Burghclere Parish Council Community Emergency Plan in place. • If appropriate - Extra-ordinary meeting to be called to discuss response. • If appropriate - Advice and guidelines provided by Government and Borough & District Councils to be followed, as well as other advisory bodies including NALC and HALC. • Church to be used as alternative meeting venue. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register. • Emergency Plan • Insurance
Statutory Documents	<ul style="list-style-type: none"> • Overdue for review • Not in place • Not published • Not adhered to. 	<ul style="list-style-type: none"> • Document log to be maintained with review dates. • Up to date documents to be uploaded to the Parish website for ease of public access. • Professional advice to be sought as required. 	<p>Annually: All statutory and non-statutory documents.</p> <p>Ongoing:</p> <ul style="list-style-type: none"> • Document log. • Information sources
Audit	<ul style="list-style-type: none"> • Additional fees incurred for delay in submission. • Loss of reputation. 	<ul style="list-style-type: none"> • Clerk ensures Internal auditor is supplied with relevant documents to undertake audit, together with completed paperwork for external audit. • Statutory transparency requirements adhered to. • Publication Scheme adopted and schedule of information published in place. 	<p>Annually:</p> <ul style="list-style-type: none"> • Risk Register. • Code of Conduct • Standing Orders. • Financial Regs. • Publication Scheme

			<ul style="list-style-type: none"> Practitioners Guide for Audit Requirements.
Assets/IT			
Assets	<ul style="list-style-type: none"> Loss Damage Injury Compliance Inadequate maintenance 	<ul style="list-style-type: none"> Annual review of assets to be undertaken Regular inspection of play equipment undertaken and recorded by Borough Council. Other assets to be inspected regularly and councillors to be informed of any maintenance requirements. Insurance in place. 	<p>Annually:</p> <ul style="list-style-type: none"> Risk Register. Asset Register Standing Orders. Financial Regs. Insurance <p>Monthly:</p> <ul style="list-style-type: none"> Weekly Play equipment inspection reports to be checked
Website Social Media IT e-newsletter	<ul style="list-style-type: none"> Information out of date, inaccurate, inappropriate. Loss of reputation. Inaccessible/unavailable 	<ul style="list-style-type: none"> Arrangements in place to ensure easy access to Parish laptop, documents and phone in the event of Clerk's sudden incapacity to work. Ensure information relating to passwords are noted securely. Adequate IT and administrative resources to be available and utilised. Software to be kept up to date and adequate anti-virus software installed on Parish Laptop. Website and Social Media accounts to be monitored and administered in line with council policy. 	<p>Annually:</p> <ul style="list-style-type: none"> Risk Register. Asset Register Data Protection Policy Insurance Training <p>Monthly:</p> <ul style="list-style-type: none"> Website content. <p>Ongoing:</p> <ul style="list-style-type: none"> Social Media pages.

Approved during meeting held on: 4th March 2024

Review due: March 2025

Associated documents and policies:

Name	Legal Reference
Standing Orders	Local Government Act 1972, Sch 12, para 42 Local Government & Housing Act 1989, s20
Financial Regulations	Local Government Act 1972, S 135 Accounts and Audit Regulations 2015, Reg 4
Financial Risk Assessment	Accounts and Audit Regulations 2015, Reg 3
Code of Conduct	Localism Act 2011 s27 (3a), 28
Emergency Plan	N/A
Equality & Diversity	Equality Act 2010, s149
Publication Scheme & schedule of information	Freedom of Information Act 2000, s 19
Litterwarden Risk Assessment	<ul style="list-style-type: none">• Health and Safety at Work etc Act 1974• Management of Health and Safety at Work Regulations 1999
Health & Safety Policy	<ul style="list-style-type: none">• Health and Safety at Work etc Act 1974• Management of Health and Safety at Work Regulations 1999
Wellbeing Policy	
Employment contracts	•Local Government Act 1972 s112 (2) •Employment Rights Act 1996, pt. 1, s.1
Asset Register	Accounts and Audit Regulations, Reg 4 (3) (b)
Data Protection Policy and procedure	Data Protection Act 2018
Disciplinary Policy	Employment Rights Act 1996, pt. 1, s.3