

HENBURY PARISH COUNCIL

Clerk: henbury.clerk@gmail.com

RISK MANAGEMENT POLICY STATEMENT & RISK ASSESSMENT for HENBURY PARISH COUNCIL

Document history

Notes of changes in updated versions	Version No.	Date of approval and adoption
Risk policy statement & risk assessment as initially approved and adopted	1.0	14 March 2018
Reviewed- changes to: Chairman's Allowance, Data Protection.	2.0	March 2019
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**THIS RISK MANAGEMENT POLICY STATEMENT & RISK ASSESSMENT IS PUBLISHED AS
APPROVED AND ADOPTED BY HENBURY PARISH COUNCIL March 2023**

Henbury Parish Council

Risk Management Policy Statement and Risk Assessment

Henbury Parish Council – Risk Management Policy Statement

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.

Risk Policy Statement

Henbury Parish Council recognises that it has a responsibility to manage risks effectively in order to protect its members, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

The council is aware that some risks can never be eliminated fully and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

Approach to Risk Management

The council's approach to risk management requires that all risks should be systematically identified and managed in the most cost-effective manner within overall resources available.

Each risk identified by the council is recorded in the council's risk assessment. The impact is assessed, appropriate control measures are put in place and the frequency with which the risk should be reviewed is determined.

Responsibility for Risk Management

The council recognises that it is the responsibility of all councillors and the clerk as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to front line service provision and to the meeting of the council's objectives and community needs.

This policy has the full support of the council which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community.

The co-operation and commitment of all members and clerk as an employee is required to ensure that council resources are not wasted as a result of uncontrolled risk.

The council is responsible for ensuring that this procedure is adhered to.

This Policy and Risk Assessment is reviewed annually.

Henbury Parish Council Risk Assessment

FINANCIAL AND GOVERNANCE				
Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Precept	Adequacy of precept	L	To determine the precept amount required, the Parish Council receives regular budget update information. The precept requirement is finalised in January	Existing procedure adequate
	Requirements not submitted to Cheshire East Council	L	Cheshire East requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk to Cheshire East. Clerk keeps record of precept request.	Existing procedure adequate
Budgeting	Budget not prepared for next financial year	L	With information on the previous budget and actual spend against budget headings, the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. Budget and precept setting are timetabled for meeting agenda from November/December	Existing procedure adequate
Financial Records	Inadequate records	L	The Council has Financial Regulations which set out the requirements.	Existing procedure adequate.
	Financial irregularities/Internal controls	L	The accounts are audited by an Internal Auditor each year. During the year financial reports are produced for each parish council meeting by the Responsible Financial Officer (Clerk). 2 Cheque signatories are required and are separate from the person raising the cheque. Online banking is now in place. The transaction list is signed by two councillors and presented to all at council meetings. All transactions take place in line with the HPC Financial Regulations.	Existing procedure adequate

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Bank and Banking	Inadequate checks Bank mistakes Loss Charges	L	The Council has Financial Regulations which set out the requirements for banking, cheques, online transactions and reconciliation of accounts. Any bank errors are discovered when the Clerk reconciles the bank accounts once a month when the statements arrive, these are dealt with immediately by informing the bank and awaiting their correction.	Existing procedure adequate.
Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations which set out the requirements. No cash received. There is no petty cash or float held by the Responsible Financial Officer (Clerk). The Parish Council have Fidelity Guarantee Insurance. £25,000.	Existing procedure adequate.
Reporting and Auditing	Information communication	L	Monitoring information is produced and circulated to all councillors before each regular council meeting, and approved at the meeting. This statement includes, cashbook, bank reconciliation, cheques for agreement and notification of receipts. Key documents published on Henbury Online Website.	Existing communication procedures adequate. Agendas circulated electronically
All Costs & expenses Debts	Goods not supplied but billed	L	The Council has Financial Regulations which set out the requirements.	Existing procedure adequate.
	Incorrect invoicing	L	Financial regulations set out requirement for Responsible Financial Officer checking for amounts against decisions/quotes etc.	Existing procedure adequate.
	Cheque payable incorrect	L	Councillors check invoices against the cheque book and associated paperwork. Two signatories on cheques. Council approves the list of requests for payment	Existing procedure adequate.
	Loss of stock	L	The Council has no stock.	N/A
	Unpaid invoices	L	Council invoices are not required.	N/A

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Grants and support - payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of budgeting, approval, are minuted and listed accordingly.	Existing procedure adequate.
Grants - receivable	Receipts of Grant	L	The Parish Council does not presently receive any regular grants. One-off grants would come with terms and conditions to be satisfied.	Conditions fulfilled regarding Transparency funding.
Accountability	Overspend on services/depletion of reserves	M	Responsible Financial Officer to make recommendations on spending according to budget availability.	Members have a duty to consider budget and reserves requirements and operate within them
Salaries and associated costs	<ul style="list-style-type: none"> Salary paid incorrectly Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue 	L	<p>The Parish Council has one employee. Salary rates are assessed annually by the PC each year. Salary analysis and slips are produced by external payroll service monthly, together with a schedule of payments to the Inland Revenue (for Tax and NI). The payments are approved at the Council meetings and signed off.</p> <p>All Tax and NI payments are submitted regularly to the Inland Revenue by the Clerk.</p> <p>The Clerk has a contract of employment and job description.</p>	Existing appointment and payment systems for the sole employee are adequate.

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Employees	Loss of key personnel/difficulty in retaining Clerk Not enough hours for role	M	Clerk post would be advertised widely, with arrangements to temporarily cover Clerk responsibilities until new Clerk in place. Clerk receives training if required. Review clerk hours if required. Membership of CHALC for guidance/support.	Existing procedures adequate
	Fraud by staff	L	No cash handled. 2 councillors sign cheques. Bank balances reported monthly, statements available for inspection, checked and signed by two councillors. Fidelity Guarantee included in insurance (£25,000)	Existing procedure adequate.
	Actions undertaken by staff	L	The Responsible Financial Officer (Clerk) should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Council membership of the Cheshire Association of Local Councils Monitor insurance as necessary.
Councillor allowances	Councillors over-paid	L	No allowances are allocated to Parish Councillors Chairman's Allowance budgeted and agreed, spend minuted	Existing procedure adequate.
Election costs	Risk of an election cost	L	Known elections budgeted for through reserves. By-Elections to be provided from contingency budget	Councillors to monitor budget and reserves throughout the year to ensure adequate funding available.
VAT	Re-claiming/charging	L	Vat re-claimed annually	Existing procedure adequate
Annual Return	Submit within time limits	L	Annual Return is completed and signed by the Council, submitted to an internal auditor for completion and signing, then checked and sent on to the External Auditor within time limit as required.	Existing procedures adequate
Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council Meetings.	Responsible Financial Officer and Members have a duty to implement Standing Orders and Financial Regulations.

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Minutes/ Agendas/ Notices/ Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the Clerk 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.	Existing procedure adequate.
	Business conduct	L	Business conducted at Council meetings is managed by the Chairperson.	Guidance/training to Chairperson should be given (if required) – available per CHALC. Members to adhere to Code of Conduct.
Members interests	Conflict of interest	L	The declaring of interests by members at a meeting reminds Councillors of their duty and should remain on the agenda.	Existing procedure adequate
	Register of Members interests	M	There are criminal penalties now deterring non-completion of Registers or declarations.	Members have a duty to update their individual Register of Interests.
Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal in June) of all insurance arrangements in place. Risk assessments completed as required	Existing procedure adequate
	Cost	L	Employers and Employee liability insurance is a necessity and must be paid for.	Review insurance provision annually.
Data protection	Policy Provision	M	Councillors and Clerk adhere to data protection principles and legislation.	GDPR training for Clerk and Councillors provided as necessary. Councillor MW is DPO. Registered with ICO. Specific email addresses for Councillors

PHYSICAL RISKS INCLUDING ASSETS AND EQUIPMENT				
Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Assets	Loss or damage Risk to third parties/property Road side safety	L	Minimal assets. Annual review of assets is undertaken for insurance provision. Currently £10,000 "All Risks" provision, and £10,000,000 Public Liability provision. No formalised programme of inspections is carried out, but any repairs/maintenance requirements are brought to the attention of the Parish Council.	Existing procedures adequate.
Meeting location	Adequacy Health & Safety	L	The Parish Council Meetings are held at St Thomas' Church Hall. Owned/managed by PCC or they are held online via Zoom.	Existing location adequate.
Council records – paper	Loss through: theft fire damage	L	The Parish Council records are stored at the Clerk's address. Records include correspondence, minutes, records such as, insurance, salaries etc. Recent materials are in a filing cabinet and older more historical records in boxes.	Damage (apart from fire) and theft is unlikely and so provision is adequate. Majority of key files are held electronically on Cloud.
Council records - electronic	Loss through: Theft, fire, damage corruption of computer	L	The Parish Council's electronic records are stored on Gmail and iCloud via Clerk's computer. Therefore, they can be recovered on other computers. Periodic back-ups of files onto memory stick – shared with councillor. Clerk's computer has strong anti-virus protection.	Existing procedure adequate

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March 2023