

Baginton Parish Council

Risk Management Policy and Risk Assessment

Introduction

Risk assessment is a systematic general examination of working conditions, activities and environmental factors to enable the Council to identify any and all potential inherent risks. This document has been produced to enable Baginton Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is committed to identifying and managing risks and to ensuring that they are maintained at an acceptable level.

The Clerk will review risks on a regular basis, including any newly identified risks, and will maintain the documented risk assessment. The review will include identification of any unacceptable levels of risk and any actions to be taken. Any action that is felt necessary to reduce or eliminate the risks will be taken by the Council, insofar as is practically possible.

The following risk assessment covers all general functions and activities undertaken by the Council. Individual risk assessments are carried out for specific activities or events, such as the Party in the Park and the Baginton Bonfire.

Financial and Management

Subject	Risk(s) Identified	H/M/L	Management/ Control of Risk(s)	Review/Assess/Revise
Precept	Adequacy of annual precept in order for the Council to carry out its Statutory duties	L	Council receives detailed budget report prepared by Responsible Financial Officer (RFO) to be considered at the January meeting, including actual position and projected position to the end of year. The RFO maps out the required monies for standing costs and projects for the following year, the total of which is resolved to be the precept amount that is requested from Warwick District Council (WDC). The figure is submitted by the Clerk to WDC. The Clerk informs the Council when the monies are received.	Existing procedure adequate
Financial Controls and Records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations, which set out the requirements. Regular reconciliation carried out by Clerk; three signatories on all cheques; routine electronic payments authorised at full Council; urgent electronic payments authorised by three signatories; internal and external audit; Clerk not a signatory.	Existing procedure adequate Review the Financial regulations when necessary

Bank and Banking	Inadequate checks Bank's mistakes	L L	The Council has Financial Regulations, which set out banking requirements Regular reconciliation carried out by Clerk; internal audit.	Existing procedure adequate
Reporting and Auditing	Information communication	L	Financial information is a frequent agenda item and details are reviewed and approved or rejected at every meeting.	Existing procedure adequate
Rents Receivable	Payment of Smithy rent	L	The Smithy tenant has signed a contract with the Council. The Clerk invoices the tenant quarterly and reports receipt of the rent to the Council.	Existing procedure adequate
Grants and Support Payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval, is minuted and listed accordingly if a payment is made using s137 powers of expenditure.	Existing procedure adequate
Best Value Accountability	Work awarded incorrectly Overspend on services.	L M	Practice is laid down in Standing Orders and Financial Regulations, and is to seek, if possible, more than one quotation for any substantial work to be undertaken. For major work, competitive tenders would be sought. If problems are encountered with a contract, the Clerk would investigate the situation and report to the Council.	Existing procedure adequate
Salaries, expenses, honoraria and Associated Costs	Salary paid incorrectly. Unpaid tax to HMRC	L L	All such expenditure goes through the required Council process of approval. Clerk uses HMRC website to calculate tax to be paid on salary and expenses and reports on the payment at each meeting in line with PAYE regulations. Clerk reminds volunteers paid an honorarium at the end of each financial year that they are responsible to declare their taxable income to HMRC	Existing procedure adequate
Employees	Fraud by staff Health and safety	L L	Requirements of Code of Conduct and Financial Regulations adhered to. Receipts issued for cash payments. All employees provided adequate direction and safety equipment needed to undertake their roles	Existing procedure adequate. Monitor health and safety requirements and insurance annually.

Employment Law	Unlawful practice	L	The Council only employs one member of staff. Requirements covered in Standing Orders and associated procedures. Membership of SLCC, NALC and WALC.	Existing procedure adequate
VAT	Reclaiming/ charging	L	The Council has Financial Regulations that lay down the requirements. Clerk validates VAT numbers for new suppliers. Clerk records VAT paid against each invoice. VAT claims calculated by Clerk annually and submitted to HMRC. The Clerk informs the Council when the monies are received.	Existing procedure adequate
Annual Return	Submit within time limits	L	Annual Return is completed and submitted within the prescribed time frame by the Clerk. Annual Return completed by Clerk and submitted to internal auditor prior to approval and authorisation by the Council, before being sent to the External Auditor within their specified time frame.	Existing procedure adequate
Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Council to be resolved at full Council Meetings, including reference to the power used under the Finance section of agenda. Clerk clarifies legal position on new proposals. Legal advice to be sought where necessary.	Existing procedure adequate
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	An annual review is undertaken of insurance arrangements. Employers, Employee and Public liabilities a necessity and within policies. Ensure compliance measures are in place. Code of Conduct in place.	Existing procedure adequate. Insurance reviewed annually.

Minutes/ Agendas/ Notices/ Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced by the Clerk in line with the statutory requirements. Minutes are approved and signed at the next Council meeting. Agenda and notices displayed according to statutory requirements on notice boards and website. Business conducted at Council meetings managed by the Chairman.	Existing procedure adequate
	Business conduct	L		Members adhere to Code of Conduct
Members Interests	Conflict of interests Register of members interests	L M	Declarations of interest sought from members at each Council meeting. Register of member's interests forms reviewed regularly.	Existing procedures adequate Members take responsibility to update register.
Data Protection	Non compliance with prevailing Regulations	L	The Council has a Data Protection policy and procedures that lay down the requirements.	Existing procedure adequate
Freedom of Information	Policy Provision	L	The Council has a Model Publication scheme in place that is advertised on the website with the associated costs (where applicable).	Existing procedure adequate

Physical Equipment or Areas

Subject	Risk(s) Identified	H/M/L	Management/ Control of Risk(s)	Review/Assess/Revise
Assets	Loss or damage Risk/damage to third party property	L L	An annual review of assets is undertaken for insurance provision. Assets are insured.	Existing procedure adequate
Assets	Legal liability as a consequence of asset ownership (open spaces, Smithy, Lucy Price Playground)	M	Annual checks of play equipment. Smithy maintained by tenant. Open spaces regularly checked for hazards. Trees investigated when damage reported.	Existing procedure adequate
Asset Maintenance	Poor performance of assets or amenities	L	All Council assets are regularly reviewed and maintained. All repairs and expenditure is authorised in accordance with the Council procedures. Assets are insured.	Existing procedure adequate
Council Records – Electronic	Loss through: - Theft, fire damage or corruption of data	L M	The Council electronic records are stored on the Clerk's laptop held at his home. Backups of electronic data are made at regular intervals onto two memory sticks, with the second copy kept by a Councillor.	Existing procedure adequate

Council Records – Paper	Loss through: - Theft Fire Damage	L M L	The Council records are stored at the home of the Clerk with historical records in filing cabinets in the Village Hall. Records include correspondences, minutes, insurance, bank records, leases.	Damage (apart from fire) and theft is unlikely and so provision is adequate.
Meeting Locations	Adequacy Health & Safety	L M	Council meetings are only held in a venue considered to have appropriate facilities for the Clerk, members and the general public.	Existing procedure adequate
Notice Board	Risk of damage	L	The Council has three notice boards. They are inspected at least on a monthly basis when the Clerk posts the meeting agendas. Any other reports of damage are reported to the Parish and dealt with in.	Existing procedure adequate

Safeguards and Emergency Recovery

It is essential that Baginton Parish Council's finances are protected from losses through poor or risky investments, fraud, theft, embezzlement, legal prosecution, cyber attack, internet fraud or other damaging actions. The Parish Council therefore employs the following safeguards: -

Payments & Investments

- The Parish Council makes no investments where its capital may be compromised.
- The Parish Council does not own either credit or debit cards.
- The Parish Council does not hold any petty cash.
- Payments by cheque require the signature of 3 Councillors to authorise payment.
- The Responsible Financial Officer (RFO) controls the cheque book and raises all cheques, but is not an authorised signatory.
- Bill payments by internet bank transfer are authorised at a full Council meeting. Any urgent payments between Council meetings are authorised by 3 Councillors.
- Bill payments by internet bank transfer are subject to a total daily limit of £5000.
- A bank mandate is completed and submitted whenever a change of Councillors occurs, ensuring that only current Councillors can authorise payments.
- All payments are recorded within the accounts, which are published on the village website following approval at the end of the financial year.

Internet Security

- The RFO retains all financial items, bank statements, cheque books, PIN readers, invoices and other banking paraphernalia. Councillors do not have open access to these items.
- For banking, PAYE, HMRC, VAT and other financial contacts, the RFO alone knows login details, passwords, pass codes, PIN numbers and all other access details. No Councillor knows these details.
- The RFO uses a single dedicated laptop, which is password protected, for all Parish Council activities. No Councillor knows the password.
- The laptop used by the RFO is protected by a proprietary anti-virus software system, such as McAfee or Norton, whose subscription is renewed annually.

Public Liability Protection and Insurance

- The Parish Council maintains full public liability and building insurance for any land and properties owned by them, or they delegate that responsibility to the leaseholder (e.g. Village Hall).
- Anyone holding events or undertaking work on behalf of the Parish Council, and as appropriate, will produce risk assessments, wear appropriate safety clothing, utilise electronic communication devices, notify emergency services and comply fully with the requirements of the Council's public liability insurance.

Audit and Review

- The Parish Council Finance Committee, in conjunction with an independent accountant, undertakes a review of the RFO's systems and records annually.
- The Parish Council Finance Committee can inspect the financial records at any time.
- A full Statement of Accounts and an Annual Return are mounted on the village website for public information.
- An internal audit is undertaken by an independent and suitably qualified person on an annual basis.
- All Financial Orders, protocols, templates and reports are available on the village website, or directly from the Clerk, in compliance with the Transparency Code.

Emergency Recovery Protocols

It is acknowledged that by keeping all passwords, codes, PIN numbers and other access details solely in the control of the RFO, this can present problems if the RFO is unavailable at a critical time or is incapacitated in any manner for an extended period.

A copy of all passwords, pass codes, PIN numbers and other access details are held on a memory stick, which is stored in the safe of a commercial business within Baginton. The memory stick is password protected.

Two residents have sealed envelopes that explain where the memory stick is held and what the password is. In an emergency, where the RFO is not available, Councillors can access the envelopes. Thus the memory stick with all financial passwords and codes can be retrieved for the continuation of the Council.