

## **RISK MANAGEMENT SCHEDULE**

### **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.

### **Purpose of Document**

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. The Council is aware that although some risks can never be eliminated fully, it is developing a strategy that provides a structured, systematic and focuses approach to managing risk, which:

- Identifies the key risks facing the council
- Identifies what the risk may be
- Identifies the level of risk
- Evaluates the management and control of the risk and records findings
- Reviews, assesses and revises procedures if required.

### **Responsibility**

Abbotts Ann Parish Council is committed to identifying and managing risks using procedures and ensuring that risks are maintained at an acceptable level. Any action that is felt necessary to undertake to reduce risks will be done so by Abbotts Ann Parish Council. The Clerk, Responsible Finance Officer (RFO) and nominated Councillors will review risks on a regular basis, including any newly identified risks, and report regularly to the Parish Council. The review will include identification of any unacceptable levels of risk.

Members are ultimately responsible for risk management because risk threatens the achievements of policy objectives.

Members should therefore:

- a) take steps to identify key risks facing the Council;
- b) evaluate the potential consequences to the Council if an event identified as a risk takes place;
- c) decide upon appropriate measures to avoid, reduce or control the risk or its consequences.

| <b>MANAGEMENT</b>            |                                                                                             |              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                          |
|------------------------------|---------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Subject</b>               | <b>Risk(s) Identified</b>                                                                   | <b>H/M/L</b> | <b>Management/Control of Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Review/Assess/Revise</b>                                                                              |
| Business Continuity          | Council not being able to continue its business due to an unexpected or tragic circumstance | L/M          | All computer files are backed up on a regular basis onto an external hard drive and to Cloud storage. Paper records are more at risk, consideration should be given to risk of loss. Important documents should be scanned electronically or kept in secure storage. In the event of the clerk being indisposed the Chairman to contact HALC for advice/support. Loss of Key Staff insurance in place with Hiscox via Came & Co. Business continuity insurance in place with Hiscox via Came & Co. | Review annually<br><br>Assess ongoing to improve procedures.<br><br>Ensure other procedures are followed |
| Meeting Location             | Adequacy<br>Health and Safety                                                               | L            | Meetings are held in Village Hall which has available disabled access. If required meetings can be re-located to the Pavilion. Health & safety considered adequate.                                                                                                                                                                                                                                                                                                                                | Review bi-annually                                                                                       |
| Council records – paper      | Loss through theft, fire, flood or other damage                                             | L            | Important documents should be scanned electronically or kept in secure storage. Older minutes and historical documents to be archived with Hampshire Records Office archive.                                                                                                                                                                                                                                                                                                                       | <b>Arrange archive storage with Records Office</b><br>Review bi-annually                                 |
| Council records – Electronic | Loss through damage, fire, flood, corruption of data                                        | L/M          | Regular backup to external drive and cloud based storage taken from Parish laptop.                                                                                                                                                                                                                                                                                                                                                                                                                 | Existing procedure adequate                                                                              |
| Staff                        | Loss of Parish Clerk/RFO                                                                    | M            | Key Staff insurance cover provided by Hiscox via Came & Co.                                                                                                                                                                                                                                                                                                                                                                                                                                        | Maintain annually                                                                                        |
|                              | Fraud                                                                                       | L            | Fidelity guarantee in place via insurance. Councillors carry out regular review of bank reconciliation.                                                                                                                                                                                                                                                                                                                                                                                            | Regular review                                                                                           |
|                              | Actions carried out                                                                         | L            | Regular reporting of actions completed and outstanding via action reports to council. Staff to be adequately trained and review carried out via appraisal process.                                                                                                                                                                                                                                                                                                                                 | Maintain appraisal process                                                                               |

| <b>FINANCE</b>                 |                               |              |                                                                                                                                                                                                                                                                                     |                                                                                                 |
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| <b>Subject</b>                 | <b>Risk(s) Identified</b>     | <b>H/M/L</b> | <b>Management/Control of Risk</b>                                                                                                                                                                                                                                                   | <b>Review/Assess/Revise</b>                                                                     |
| Precept                        | Adequacy                      | M            | The Council regularly receives budget updates. Existing procedure adequate information and detailed budgets in the late autumn. Backed by financial regulations. Approval of the precept is an agenda item at the December meeting. Reviewed by Internal audit.                     | Existing procedure adequate                                                                     |
| Insurance                      | Adequacy, Cost and Compliance | L            | Schedule review and 3 quotations received annually from Came & Co.                                                                                                                                                                                                                  | Reviewed annually by full Council                                                               |
| Banking                        | Inadequate procedures         | L            | Control identified in Financial Regulations, process via sign off by councillors, review by internal audit and internal control procedures.                                                                                                                                         | Review via Financial Regulations annually                                                       |
| Cash                           | Loss via theft or dishonesty  | L            | No cash handling currently takes place. No petty cash held.                                                                                                                                                                                                                         | Review via Financial Regulations annually                                                       |
| Financial controls and records | Inadequate checks             | L            | Reconciliation checked monthly by non-signatory councillor. Two councillor signatories on cheques and on payment list for electronic payments. Internal Control procedures followed. Internal and external audit. All payments must be clearly minuted. Any s137 payments recorded. | Existing procedures adequate<br>Review via Financial Regulations and internal controls annually |
| Salary                         | Incorrect payment or process  | L            | Payroll outsourced to contractor. Payroll records accompany payment for sign off by councillors.                                                                                                                                                                                    | Review payroll contract annually                                                                |
| VAT                            | Reclaim not processed         | L            | Reporting to Council via financial reports.                                                                                                                                                                                                                                         | Existing procedure adequate                                                                     |
| Annual Return                  | Not submitted in time         | L            | Council aware of timing process by 30 <sup>th</sup> June, Annual return completed and signed by the council, submitted to the internal auditor for section completion. Checked and sent on to the external auditor                                                                  | Existing procedures adequate                                                                    |

| <b>PROCEDURAL</b>      |                           |              |                                                                                                  |                                                                                                                |
|------------------------|---------------------------|--------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| <b>Subject</b>         | <b>Risk(s) Identified</b> | <b>H/M/L</b> | <b>Management/Control of Risk</b>                                                                | <b>Review/Assess/Revise</b>                                                                                    |
| Freedom of Information | Non-compliance with Act   | L            | The Council has a publication scheme for Local Councils in place last reviewed in February 2003. | <b>Review and adopt model publication scheme in May 2017</b>                                                   |
|                        |                           | M            | Introduce documented procedure for requests received.                                            | Monitor and report impact of requests made                                                                     |
| Data Protection        | Non-compliance with Act   | L            | Have a Data Protection Policy in place.                                                          | <b>Review draft and adopt Policy in May 2017</b>                                                               |
|                        |                           | M            | Introduce documented procedure for requests received.                                            | <b>Introduce documented procedure for dealing with requests.</b><br>Monitor and report impact of requests made |

| <b>LIABILITY</b>                        |                                             |              |                                                                                                                                                                                                                                                                                                                                                                                          |                                           |
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| Legal Powers                            | Illegal activity or payments                | L            | All activities and payments made within the powers of the parish council, resolved and clearly minuted.                                                                                                                                                                                                                                                                                  | Ongoing review                            |
|                                         | Committees exceeding delegated authority    | L            | Establish Clear terms of reference, minutes to Council for approval.                                                                                                                                                                                                                                                                                                                     | Annual review                             |
|                                         | Working Groups taking decisions             | L            | Clear referencing, councillor training.                                                                                                                                                                                                                                                                                                                                                  | Annual Review                             |
| Minutes, Agendas and standing documents | Accuracy and legality                       | L            | Minutes and agendas are produced in the prescribed method and adhere to legal requirements. Minutes are approved and signed off at the next meeting. Minutes and agendas are displayed according to legal requirements.<br>Business conducted at the council is managed by the chairman with advice from a trained clerk<br>Standing Orders & Financial Regulations based on NALC models | Review on regular basis                   |
|                                         | Non-Compliance with Statutory requirements  |              |                                                                                                                                                                                                                                                                                                                                                                                          | Chairman training<br>Annual review        |
| Public liability                        | Risk to third party property or individuals | M            | Insurance in place, risk assessments of individual events to be undertaken                                                                                                                                                                                                                                                                                                               | Review written risk assessments           |
| Employers Liability                     | Non Compliance with legal requirement       | L            | Insurance in place.<br>Ensure adequate training & procedures for councillors and Clerk                                                                                                                                                                                                                                                                                                   | Review training needs annually            |
| Legal Liability                         | Legality of activities                      | L            | Clerk adequately trained and has access to advice via HALC and SLCC membership                                                                                                                                                                                                                                                                                                           | Maintain membership of HALC/NALC and SLCC |

| <b>COUNCILLOR PROPRIETY</b>                                                                                                                                                                                                                                                            |                                                                                                                                             |              |                                                                                                                                                                                                             |                                                                           |
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| <b>Subject</b>                                                                                                                                                                                                                                                                         | <b>Risk(s) Identified</b>                                                                                                                   | <b>H/M/L</b> | <b>Management/Control of Risk</b>                                                                                                                                                                           | <b>Review/Assess/Revise</b>                                               |
| Code of Conduct                                                                                                                                                                                                                                                                        | Non compliance                                                                                                                              | M            | Adopted code 2014, Councillors given copy upon election/co-option.<br><br>Consider training for councillors.                                                                                                | <b>To be reviewed May 2017</b><br><br>Review councillor training annually |
| Members Interests                                                                                                                                                                                                                                                                      | Conflict of interest<br>Failure to register interests                                                                                       | M<br>L       | Agenda item on every meeting<br>Councillors aware of duty and reminded regularly about requirements.                                                                                                        | Existing procedures adequate<br>Annual review                             |
| <b>ASSETS</b>                                                                                                                                                                                                                                                                          |                                                                                                                                             |              |                                                                                                                                                                                                             |                                                                           |
| <b>Subject</b>                                                                                                                                                                                                                                                                         | <b>Risk(s) Identified</b>                                                                                                                   | <b>H/M/L</b> | <b>Management/Control of Risk</b>                                                                                                                                                                           | <b>Review/Assess/Revise</b>                                               |
| Asset Register                                                                                                                                                                                                                                                                         | Assets not recorded                                                                                                                         | L            | An asset register is established and presented to Council for review. Insurance is held at the appropriate level for all items.<br>Regular checks are made on equipment by staff or members of the council. | Review and document                                                       |
| Maintenance of assets                                                                                                                                                                                                                                                                  | Poor maintenance leads to loss or injury<br>Poor performance of assets or amenities.<br>Loss of income or performance Risk to third parties | M            | Provide adequate budget<br>Review insurance                                                                                                                                                                 | Review and document                                                       |
|                                                                                                                                                                                                                                                                                        |                                                                                                                                             |              |                                                                                                                                                                                                             |                                                                           |
| <b>Draft prepared March 2017</b>                                                                                                                                                                                                                                                       |                                                                                                                                             |              |                                                                                                                                                                                                             |                                                                           |
| <p><b>Adopted and Approved:</b> Minute item 9 – at the Council Meeting held on 6<sup>th</sup> April 2017<br/> Reviewed and adopted – Minute Item 16, 16<sup>th</sup> May 2019<br/> Reviewed and adopted – Minute Item 10, 4<sup>th</sup> June 2020</p> <p><b>Review Date: 2021</b></p> |                                                                                                                                             |              |                                                                                                                                                                                                             |                                                                           |