

## BURTON GREEN PARISH COUNCIL RISK MANAGEMENT POLICY

| No.   | Description of risk   | Numerical assessment pre-mitigation |        |       |        | Mitigation or control  |
|---|---|-------------------------------------|--------|-------|--------|--|
|   |   | Likelihood                          | Impact | Score | Colour |  |
| <b>Business Continuity</b>  |   |                                     |        |       |        |  |
| 1   | Incapacity/absence of the Clerk   | 2                                   | 5      | 10    | G      | Designate a person to temporarily act as Clerk in an emergency.  |
| 2   | Resignation of the Clerk  | 2                                   | 5      | 10    | G      | Undertake succession planning.   |
| 3   | Loss or theft of/inability to access records  | 2                                   | 5      | 10    | G      | All old copies prior to electronic use are deposited with the Warwickshire County Records Office. All electronic minutes are held on the Council's website. Data Back-up is in on an external hard drive which is kept by the Clerk. |
| 4   | Failure to retain or secure the necessary number of members for a Council   | 2                                   | 4      | 8     | G      | Clerk to maintain an up to date Councillor Attendance Register. Advertise for an election immediately a vacancy exists. Co-opt Members where no election is held.  |
| <b>Ensure compliance with an Act of Parliament, Financial Regulations and Code of Conduct</b> |   |                                     |        |       |        |  |
| 5   | Lack of knowledge of regulations and codes  | 2                                   | 5      | 10    | G      | Ensure that all Councillors are provided with relevant information. Code of Conduct, Standing Orders and Financial Regulations are in place. Clerk to highlight essential parts and arrange training where relevant.                 |
| 6   | Absence of Standing Orders  | 2                                   | 5      | 10    | G      | Ensure that Standing Orders are produced and adopted by the Council, understood by Councillors and reviewed annually.  |
| 7   | Action by the Parish Council outside its powers laid down by Parliament   | 2                                   | 4      | 8     | G      | Clerk to monitor relevant legislation and report to Council  |
| 8   | Lack of commitment to regulations and procedures  | 2                                   | 5      | 10    | G      | Clerk/RFO is CiLCA qualified. Chairman and Clerk review Council's meeting and operational procedures annually. Cllrs attend recommended training.  |
| 9   | Items purchased without proper tendering procedures, not providing value for money or resulting in accusations of commercial favouritism. | 2                                   | 3      | 6     | G      | Parish Council to follow procedures defined in Financial Regulations   |
| 10  | Lack of control of signatories to cheques   | 2                                   | 5      | 10    | G      | Two Councillors as authorised signatories approved by the Council.   |
| 11  | VAT not properly accounted for, resulting in overclaims and large demands from HMRC.  | 2                                   | 4      | 8     | G      | Ensure appropriate VAT publications are held and that Clerk has good knowledge of the regulations.   |
| 12  | Notice of meeting   | 2                                   | 4      | 8     | G      | The meeting Agenda is placed on the village noticeboard and on the Council's website giving the required notice of each meeting.   |
| 13  | Approval of minutes   | 2                                   | 4      | 8     | G      | Minutes are approved at the next Meeting of the Council. Draft Minutes are forwarded to Councillors and displayed on the Council's website no later than two weeks after a meeting.  |
| 14  | Register of interests   | 2                                   | 5      | 10    | G      | Councillors are required to declare an interest in any item of business and this is recorded in the Minutes. Completed Register of Interests forms are submitted to the Monitoring Officer and regularly reviewed.                   |
| 15  | Security of data (IT systems and support)   | 2                                   | 5      | 10    | G      | Confidential documents are stored in a locked property.  |
| 16  | Freedom of information  | 2                                   | 5      | 10    | G      | The Council has adopted the ICO model scheme.  |

|    |   |   |   |   |   |
|----|---|---|---|---|---|
| 17 | Payments made without prior approval and adequate control | 2 | 4 | 8 | G |
|----|---|---|---|---|---|

Ensure that all payments are approved in Council meetings and recorded in Minutes. Where prior payment is required this is approved by the Chairman and Vice-Chairman.

### Governance and Management

|    |   |   |   |    |   |
|----|---|---|---|----|---|
| 18 | Engagement by Members in the operation and activities of the Parish Council           | 2 | 5 | 10 | G |
| 19 | Impact of Public spending cuts  | 3 | 5 | 15 | A |
| 20 | Lack of engagement by Councillors and Residents on major items of public interest     | 2 | 5 | 10 | G |
| 21 | Lack of knowledge by Councillors on their role, responsibility and accountability     | 3 | 5 | 15 | A |
| 22 | Inadequate insurance cover for members and Clerk                                      | 2 | 4 | 8  | G |
| 23 | Lack of appropriate financial controls and reporting                                  | 2 | 5 | 10 | G |
| 24 | Lack of engagement/knowledge of residents concerns and views                          | 3 | 5 | 15 | A |
| 25 | Use of funds not in accordance with residents wishes                                  | 2 | 5 | 10 | G |
| 26 | Lack of commitment by Members to the budgetary process                                | 2 | 4 | 8  | G |
| 27 | Failure to ensure that the annual precept results from an adequate budgetary process. | 3 | 4 | 12 | A |
| 28 | Inadequate internal controls with regard to monitoring expenditure                    | 2 | 4 | 8  | G |
| 29 | Election costs  | 2 | 3 | 6  | G |
| 30 | Reserves too high/low   | 2 | 2 | 4  | G |

Take every opportunity to publicise the role of the Parish Council through the village newsletter, noticeboards and Council website. Use key issues to raise profile of Parish Council and to test parishioners views. Publish Councillors contact details on the Website .

All Councillors to be made aware that priorities must be set on the basis of the financial capacity of the Parish Council to deliver. Parish Council to maintain sufficient General Reserves.

Ensure publicity through The Bugle newsletter, Council noticeboards and website.

Councillors attend recommended training courses.

Review Risk Assessment by including on Agenda of Parish Council meetings at least annually. Ensure a Risk Assessment is carried out for all new assets and appropriate insurance cover implemented.

As defined in the Financial Regulations and System of Internal Control Policy. Clerk to ensure that Receipts and Payments are promptly and accurately recorded. All invoices to be checked and reported to next Parish Council meeting. Clerk to balance accounts against bank statements monthly. Clerk to produce up to date reports at all meetings. Internal Control checks by designated Councillor. Internal and External Audit reports to be made available to all Councillors and any recommendations acted upon promptly.

Public Open Forum Sessions are held during each Council meeting. Use is made of the village newsletter, Council website and noticeboards.

All financial decisions listed on Agendas and decisions minuted. Residents views on key spending decisions recorded during Annual Parish Meetings and via surveys

Include regulations in Standing Orders issued to all Councillors. Place item on Agenda early in the year to remind Councillors of budget process and actions required. Involve all Councillors in budgetary process not solely the Clerk.

Start consideration of budgetary process at least two months prior to submission date of Precept. Draft budget prepared by Clerk/RFO for consideration by Councillors.

Internal Control Checks are carried out every three months by a designated Councillor to ensure effective financial management by Clerk/RFO.

In an election year, estimated costs obtained from the Electoral Officer and included in the budget. In other years the Council provides a sum within its working balance to meet possible by-election costs.

Council adheres to Financial Reserves Policy.

|    |  |   |   |    |   |
|----|--|---|---|----|---|
| 31 | Failure to ensure that all employees are paid in accordance with Council regulations and are adequately monitored                      | 2 | 4 | 8  | G |
| 32 | Failure to ensure that year end accounts are correctly prepared  | 2 | 4 | 8  | G |
| 33 | Failure to identify, value and maintain all assets of the Parish Council, and ensure that asset and investment registers are complete. | 2 | 5 | 10 | G |
| 34 | Adoption and implementation of appropriate Government legislation  | 2 | 5 | 10 | G |
| 35 |  |   |   |    |   |

Parish Council employ external payroll service. A Contract of Employment and Job Description is agreed for the Clerk. Terms and conditions are agreed in the Minutes. Ensure employee regulations are available and understood by the Clerk. No additional payment to the Clerk without Council approval.

Internal Control checks and Financial reports considered in monthly Parish Council meetings.

Maintain a record of all assets for which the Parish Council is responsible and include in year end accounts. Arrange for professional valuation where appropriate.

Clerk to have appropriate legislation available. Review liabilities and responsibilities periodically at Parish Council meetings.

**Size of risk**

| Descriptor | Likelihood           | Impact    |
|------------|----------------------|-----------|
| 1          | 2% likely to happen  | Very low  |
| 2          | 5% likely to happen  | Low       |
| 3          | 10% likely to happen | Moderate  |
| 4          | 20% likely to happen | High      |
| 5          | 50% likely to happen | Very high |

**Signed** Cllr McColl

**Date** 17th July 2023

**Review** Jul-24

**Risk score**

|         |        |
|---------|--------|
| 0 - 10  | Low    |
| 11 - 15 | Medium |
| >15     | High   |