

**EAST CLAYDON PARISH COUNCIL  
RISK MANAGEMENT POLICY**

**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.

**Audit Commission - Worth the Risk: Improving Risk Management in Local Government (2001:5)**

This document has been produced to enable the Parish Council 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 has in place a strategy that provides a structured, systematic and focused approach to managing risk, which:

- Identifies the subject
- 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.

<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>
Meeting location	Adequacy, Health and Safety.	L	Meetings are held in the Village Hall. Keys are obtained from VH key holder and a councillor also holds keys. From a health, safety and comfort aspect the premises and facilities are suitable for the Clerk, Councillors and any members of the public who attend.	Existing procedure adequate.
Council records	Loss through theft, fire, damage	L	Papers, both current and archived, are held securely in the Clerk's home.	Damage or theft is unlikely and so provision adequate

Council records electronic.	Loss through damage, fire, corruption of computer	M	The Parish Council's electronic records are stored on the Clerk's computer. Back-ups of the files are done when a document is created. In addition to the original files, back-ups are kept on a separate USB drive and updated weekly	Existing procedure requires updating to include additional off-site back-up.
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<b>FINANCE</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>
Precept	Adequacy of precept.	M	The annual precept is discussed at the November council meeting where future projects with their proposed budgets are brought to the Council. Adjustments are then assessed as to the viability of any project and the costs, such as any additional Annual Audit costs, can be evaluated. The Finance Committee looks at it in detail and the precept is finally agreed at the December meeting. ELECTION COSTS ARE NOT ITEMISED IN THE BUDGET – IF THERE IS AN ELECTION COSTS COULD PROBABLY BE VIRED FROM A HIGH VALUE ITEM	Existing procedure adequate.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	An annual review is undertaken of all insurance arrangements in place. Employers Liability, Public Liability and Fidelity Guarantee are a statutory requirement.	Existing procedure adequate. Review provision and compliance annually. Council has an asset register which is sent to the insurance company
Banking	Inadequate checks	L	All monies received are by cheque or BACS payment. Cheques are banked by the Clerk.	Existing procedures adequate. Review Financial Regulations as necessary.

Cash	Loss through theft or dishonesty	L	The Council has no petty cash or float. Any cash transactions are made by the Clerk, are fully receipted and then reimbursed or paid by cheque on receipt of an invoice.	Existing procedures adequate.
Financial controls and records.	Inadequate checks.	L	Monthly reconciliation by Clerk, checked by member of Finance Committee. All payments approved by two authorised signatories (not the clerk). All payments agreed by the Council and each payment minuted. The cash book is kept by the Clerk and available for inspection at any time. Mid-year the Finance Committee reviews actual expenditure and compares with budget.	Existing procedures adequate.
Freedom of Information Act.	Policy Provision	L M	The Clerk is aware that if a substantial request arrives then this may require many hours of additional work. The Council is able to request a fee if the work will take over 15 hours. However, the request can be resubmitted, broken down into sections, thus negating the payment of a fee.	Monitor and report any impacts made under Freedom of Information Act.
Election Costs	Risk of election cost	M	Risk is higher in an election year. There are no measures which can be taken to minimise risk of a contested election. A contingency fund should be established to meet the costs.	Include in financial statement when setting precept.
Annual Return	Not submitted within time limits.	L	The Annual Return is completed by the Clerk in discussion with the Finance Committee and inspected and signed by the Internal Auditor. It is then put before the full Council to be agreed and signed. It is sent with any documents requested to the Audit Commission by the date determined by them.	Existing procedures adequate.

<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>
Street furniture, street lights and playground equipment.	Damage to play equipment and benches, etc.	L	Insurance is held at the appropriate level for all items. Regular checks are made on all equipment by members of the Parish Council.	Existing procedures adequate.
	Major expenditure required for replacement or refurbishment	M	Earmarked reserves are provided to cover a major expenditure	Existing procedures adequate.

<b>LIABILITY</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>
Minutes Agendas Statutory documents.	Accuracy and legality. Non compliance with statutory requirements.	L	Minutes and agendas are produced in the prescribed method and adhere to legal requirements. Minutes are approved and signed at the next meeting. Agendas are displayed according to legal requirements. Business conducted at Council meetings is managed by the Chairman.	Existing procedures adequate.
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Public Liability	Risk to third party, property or individuals.	M	Insurance is in place to cover third party, property or individuals. ROSPA playground safety inspection is carried out annually.	Existing procedures adequate.
Legal Liability	Proper and timely reporting via Minutes. Proper document control.	L	Council always receives and approves minutes at monthly meetings.	Existing procedures adequate. Existing procedures adequate.
		L	Retention of document policy in place.	

<b>COUNCILLORS PROPRIETY</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>
Members' Interests	Conflict of interest.	M	Councillors have a duty to declare any interest at the start of the meeting. Register of Members' Interests form to be reviewed at least on an annual basis. Register held by District Council monitoring Officer and published on website.	Existing procedures adequate. Members to take responsibility to update their register.
	Register of Members' Interests.	L		