**Ingworth Parish Council**

Risk management is a process whereby local councils methodically address the risks associated with what they do and the services they provide. The objective of risk management is to identify what can go wrong and take steps to avoid this or successfully manage the consequences.

Members are ultimately responsible for risk management because risks threaten the achievement of policy objectives. As a minimum, Members should, at least once each year:

- take steps to identify and update key risks facing the council

- evaluate the potential consequences to the council if an event identified as a risk takes place; and

- decide upon appropriate measures to avoid, reduce or control the risk of its consequences.

Some risks can be managed by taking out insurance. The majority need to be managed by the Council itself either with or without the help of third parties.

**No. Identified risk & level of Preventative action required**

**consequence of failure** **risk**

1. Loss or damage of physical assets High Ensure the asset list is up to date owned by the council & listed on and is covered by the schedule

the fixed asset schedule resulting within the insurance policy.

in financial loss

2. Damage to third party property or Medium Ensure public liability insurance is

individuals as consequence of the adequate. Ensure all contractors

council providing services or working for the council have

amenities to the public resulting in appropriate public liability insurance

claims against the council in place. Ensure all requirements of

the insurance policy such as

maintenance or inspection are met.

3. Loss of cash or funds through theft Medium Ensure proper procedures on cash

or dishonesty resulting in financial handling and cheque signing are in

loss place.

4. Legal liability arising as a result of Medium Ensure public liability insurance is in

asset ownership resulting in claims place.

against the council and financial

loss

5. Failure of insurance company or Low Ensure only robust providers used.

bank resulting in financial loss Take advice from the Government

and NALC.

6. Failure of the insurance policy to Medium Ensure an annual review of risks and

cover all insurable risks cover provided is carried out.

**No. Identified risk & level of Preventative action required**

**consequence of failure** **risk**

7. Lack of maintenance of physical High ‘Wear & Tear’ is not covered by

assets resulting in excessive repair insurance. Ensure that regular

costs inspections are made of assets and repairs are effected.

8. Poor quality of goods and services Medium Ensure strict adherence to Financial

supplied by contractors resulting in Regulations and Standing Orders for

inferior products and poor value for award of all contracts. Ensure proper

money procedures are carried out in public and fully minuted. Ensure that council approval of all transactions are minuted.

9. Not keeping proper financial records Low Ensure full details of every

in accordance with statutory transaction are provided for all

requirements resulting in lack of councillors. Ensure that the approval

integrity & possible financial loss of all transactions is minuted. Ensure that regular reports and bank reconciliations are provided and inspected by councillors and internal auditor.

10. Unauthorised payments made Low Ensure that all cheques have two

resulting in financial loss and liability signatories and that full supporting

to prosecution documentation is provided. Ensure any direct debits and standing orders are approved by the full council.

11. Unlawful expenditure incurred Low Use guidance from ‘Local Council

resulting in financial loss and possible Administration’ or from NALC.

prosecution

12. Not complying with HMRC Low Ensure that annual return to Inland

requirements for employee payments Revenue is made. Ensure statutory

resulting in financial loss and possible payments of NIC & statements

prosecution relating to employee tax liabilities are made. Checks made by internal

auditor.

13. VAT recovery is not complete Low Ensure annual returns are made and

resulting in financial loss and possible that VAT is identified in all relevant

prosecution transactions.

14. Not providing adequate funds Low Ensure that the budget process is

resulting in inability to carry out adequate and the proper precept

functions or provide services raised. Ensure that the costs for elections or parish polls are anticipated.

15. Not using S137 funds properly Low Ensure grants or other payments are

resulting in monies possibly being only made for appropriate purposes

reclaimed at audit within S137 rules.

**No. Identified risk & level of Preventative action required**

**consequence of failure** **risk**

16. Incorrect minutes of meetings Low Ensure minutes are produced

resulting in unreliable decisions timeously and circulated in draft to

being made councillors for review. Ensure that

minutes are approved and all pages signed at Parish Council meetings.

Ensure that minutes are paginated and master copy kept safely.

17. Failure to comply with Freedom of Low Ensure that FOI policy is up to date

Information Act resulting in potential and can be viewed on request.

penalties on the Council

18. Not properly recording Members’ Low Ensure that Declarations are interests or gifts and hospitality confirmed at the Annual Meeting.

exceeding £25 could result in improper Ensure that councillors are asked to

decisions being made or referred to declare interests at each meeting.

the Monitoring Officer

19. Documents not being controlled or Low Ensure that proper procedures are

lost, or other forms of communication in place for dealing with incoming

not being recorded could result in mail, emails or telephone messages.

failure to act or acting incorrectly on Ensure that papers are properly filed

issues and stored. Ensure that regular

backups are made of all information held on computers & kept safe.

20. Inquiries from the public not being Medium Ensure that all inquiries are recorded

passed on to councillors could result by the clerk and referred to the

in action being taken against the Council where necessary.

Council

21. Failure to adhere to Standing Orders Low Ensure that chairman, clerk and

or improper conduct of meetings Members conduct meetings in

could result in invalid decisions being accordance with Standing Orders.

made Ensure that Standing Orders are

reviewed every two years.

This policy was reviewed by the Council on 19th May 2016