

Risk Management scheme – Mortimer West End Parish Council

This risk management scheme aims to identify the risks that the council faces and to identify processes, procedures and/or insurance that helps to mitigate that risk.

Topic	Risk Identified	Risk Impact H/M/L	Likelihood H/M/L	Management of Risk	Action
Precept	Not submitted	H	L	Minute – RFO to follow up	Clerk to diarise and action
	Not paid by district council	H	L	Confirm Receipt	Clerk to diarise and action
	Adequacy of precept	H	M	Quarterly review of budget to actual spend. Draft budget is prepared by Clerk/RFO in November and discussed at a full council meeting in November.	Clerk to diarise and action
Other income	Cash Handling	H	L	Clerk will not have any need to handle cash.	No handling of cash so no risk identified.
Grants	Claims procedure	M	L	Clerk/RFO check as required and as part of the precept request	Clerk to diarise and action
	Receipt of grant when due	M	L	Clerk/RFO to confirm receipt	
Investment Income	Surplus Funds	L	L	Very little income from surplus funds as interest rates are low. Review levels and investment policy annually	Clerk to diarise for budget meeting in November and action
Salaries	Wrong salary /hours/rate paid. Wrong deductions – NI and income tax.	M	M	Check hours and rate to contract. Payment is by standing order. Standing order is set up via online banking and approved by two councillors. Payslip is presented for verification at meeting. Councillors to initial pay slip. Clerk to use HMRC basic PAYE tools to submit information monthly.	2 councillors to verify at council meeting.
Direct Costs and Overhead expenses	Goods not supplied to council	L	M	Financial controls are set out in our financial regulations. Two councillor approvals are required on all electronic payments. The payment list is presented at the meeting and the minutes will show which councillors will carry out the online approval. Bank reconciliations are presented to	Financial regulations to be followed and also reviewed annually.
	Invoice incorrectly calculated or recorded				
	Cheque payable is excessive or to the wrong party				

				council at every meeting and chair signs it. Internal audit to be carried out and external audit when required.	
Grants made	No power to pay or no evidence of agreement of council to pay	M	M	Any agreement to provide a grant must be minuted with the power used to authorize the payment.	A grant procedure is in place and will be reviewed periodically.
VAT	VAT analysis and reclaim not processed	M	L	Clerk is trained in what is required. All items in cash book to be considered. Separate column in the cash book to record VAT on an ongoing basis throughout the year.	RFO/Clerk is trained and verifies the claim. Claim to be submitted after year end in most cases but where there is a large amount to be reclaimed it may be done more frequently.
Reserves - General	Adequacy	H	M	Consider at Budget setting meeting. As a small council we aim to have at least a year's worth of operating costs in reserve.	RFO/Clerk to advise at budget meeting
Reserves - Earmarked	Adequacy /unidentified earmarked reserves	H	M	Consider at budget setting meeting.	RFO/Clerk to advise at budget meeting
Assets	Loss, Damage	M	M	An annual inspection should take place by clerk in Autumn, asset register to be updated annually in November before budget discussions and insurance cover reviewed for adequacy before renewal in May.	RFO/Clerk to diarise inspection and annual insurance review.
	Risk or damage to third party property or individuals	H	L	Review adequacy of Public Liability insurance annually in May before insurance renewal. Review playground inspection results online weekly.	RFO/Clerk to carry out annual checks.
Staff – Business Continuity	Loss of key personnel e.g. Clerk	L	L	Clerk given access to training and support to limit risk of leaving. HALC membership giving access to Locum Clerk Service if considered necessary.	Chairman to discuss any issues with clerk/RFO on a regular basis.

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Reviewed May 2023

	Fraud by staff	L	L	Fidelity Guarantee appropriately set	Councillors to review bank reconciliation against bank statements in council meetings.
Insurance	Adequacy/Cost/Compliance	L	L	Insurance levels to be reviewed in May annually and best value sought by the RFO/Clerk	Annual review in May
Maintenance of assets	Reduced value of assets or amenities	M	M	Annual inspection of assets before budget setting and weekly inspection by B&D district council of playground area. Clerk to bring maintenance issues to the attention of the council and budget appropriately.	Annual inspection and remedial action where required.
Legal Powers	Illegal activity or payment	H	M	Clerk has responsibility to educate the council on their legal powers and where resolutions are made to spend money the appropriate power being used should be minuted. Clerk has completed CiLCA training.	Clerk to advise and minute appropriately.
Financial Records	Inadequate records	H	L	RFO/Clerk to carry out monthly bank reconciliation and to ensure that all records are up to date. Internal audit review to be carried by a qualified auditor	Financial regulations to be reviewed annually.
Minutes	Accurate and Legal	L	L	Minutes to be reviewed at following meeting and to be signed on every page by the chair. Any changes to be written on by chair and signed by them. Minutes to be uploaded to website as soon after signing as possible. Clerk is CiLCA trained	Minutes to be signed and kept in file by clerk.
Members Interests	Conflict of Interest	M	M	Agenda item at start of every meeting. Declarations of interest to be documented and minuted and any conflict addressed as appropriate. Register of members interests to be completed within 28 days of any election/co-	Existing procedures are adequate. Will be annually reviewed.

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				option and members to be reminded annually of the requirement to keep it updated.	
Code of Conduct	Non- compliance	M	M	Adopted the standard code 2012. Councillors are given a copy by the clerk when elected/co-opted and asked to sign to confirm their agreement as part of the declaration of acceptance of office.	Procedures in place are adequate.
Council records	Loss of paper records through theft, fire, flood or other damage	L	L	Paper records are currently kept at clerk's home. Important documents to be scanned. Older should be archived with the Hampshire Records Office.	Clerk to review paper documents with aim to archive as much as possible.
	Electronic records loss through damage, fire, flood, corruption of data	H	M	Regular back up of files to an external drive and also to a server based backup. Minutes, agendas and financials for previous year also uploaded to website.	Currently considered to be adequate but review annually.
Freedom of Information	Non-compliance with Act	L	L	The council has a publication scheme and a process for dealing with any requests	Review process annually.
Data Protection	Non-compliance with Act	L	M	Data protection policy in place and reviewed annually. Clerk should be aware of obligations under data protection act and act accordingly.	Review process annually.
Audit requirements and Annual return	Not submitted in time. Not meeting requirements of the Local Audit and accountability act 2014.	H	M	Clerk has achieved CiLCA qualification. Clerk to Website is kept up to date and documents are being uploaded to meet the requirements of the transparency code.	Review audit and annual return requirements annually. Councillors to understand and approve annual return statements and this is to be minuted.

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