

CLIVE PARISH COUNCIL

ANNUAL RISK MANAGEMENT POLICY

Probability is on scale of 1 – 5 (1 = very low probability, 3 = medium probability, 5 = Certain to occur). **Impact** is on a scale of 1 – 5 (1 = very low impact, 3 = medium impact, 5 = very serious impact). **Risk score** is calculated by multiplying probability by impact. Risk ranges from 1 - 25.

AREA	RISK	PROBABILITY	IMPACT	RISK SCORE	CONTROLS/RECOMMENDATIONS
Assets	Loss of or damage to physical assets	2	3	6	Annual review of replacement costs (cf. assets register). Total insurance cover for assets up to £34,000 covers PC assets (Zurich Municipal). NB. Graffiti on Toposcope removed by Cllrs. Damage to WW1 Commemorative statue recorded in asset register (parts broken off and not recovered).
	Security of buildings and equipment etc.	1	5	5	Clerk keeps all documents in a lockable, fire-proof, filing cabinet at her home. The filing cabinet is the property of the Clerk. Clerk has conducted a risk assessment of the working environment. Clerk has appropriate contents cover and buildings cover.
	Maintenance of buildings and physical assets etc	2	2	4	Street furniture assets usually inspected at least annually by councillors (to be completed this month), and faults and/or maintenance needs reported to Full Council or to clerk if urgent action required. No buildings or high risk assets held (e.g. play equipment, skate parks, etc.) PC purchased new AED in May 2021 (with 10 yr warranty) and is inspected at least fortnightly and status is updated on The Circuit every 3 months.
Finance administration	Banking	1	4	4	All banking activities handled by the Responsible Financial Officer (clerk), and bank statements checked against reconciliations at each council meeting. No petty cash held, but covered by insurance for up to £250,000 for any one loss of non-negotiable money. Council banks with Unity Trust since 2022, and Clerk and 3 signatories have online banking access for making online payments, using bank's security and authentication processes (clerk submits payments and 2 signatories authorise). Internal controls checks completed by a councillor without online banking access, to minimise risk of theft or dishonesty. PC to add a new signatory.
	Risk of consequential loss of income	2	4	8	Only regular income is the precept. This is calculated following the budget-setting process and assessed to ensure any increases are within acceptable limits, including equivalent increase in Band D council tax charges. Precept requests are submitted before deadlines. Council has a General Reserves Policy to ensure

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					sufficient working capital is available should there be any problems with receiving the precept from the Principal Authority. Current y/e reserves expected to be around 7 months' NRE which is less than target of 12 months' NRE, but in the event of no precept from Shropshire Council there would be some buffer of funds and time to consider next steps. The Council applies for grant funding where possible to diversify income sources and minimise impact on taxpayer.
	Loss of cash through theft or dishonesty	1	4	4	Council banks with Unity Trust with secure authorisation protocols. All transactions paid via BACS with triple mandate, i.e. payments are set up by clerk and authorised by two councillors with online banking access. Cllrs cannot submit payments for approval. All proposed payments are verified against invoices and initialled by two councillor signatories. Internal controls checks by a councillor without access to online banking usually every 6 months. Fidelity guarantee cover for up to £250,000.
	Financial Controls and records	1	3	3	Council follows Financial Regulations. Monthly reconciliations and receipts & payments reports are presented at each Council meeting and budget reports presented quarterly. All transactions minuted and approved by Parish Council. All payments are checked, approved, and invoices initialled by two councillor signatories. Internal controls checks conducted by a councillor every 6 months. Internal (and where appropriate external) audit each year. NB. Council should just be under threshold for exemption from external audit for the year 2023-24.
	Comply with Custom and Excise Regulations	1	3	3	VAT expenditure records kept throughout year, refund claims submitted annually as soon as possible after year end. NB. VAT reclaim for 2022-23 was declined due as it covered a shorter period of time and smaller amount than the minimum required by HMRC. Clerk is combining VAT spend to be reclaimed for the 2022-23 and 2023-24 financial years, and will submit a new reclaim when amount exceeds minimum threshold of £100. Internal auditor to provide check. NB. Council should just be under threshold for exemption from external audit for the year 2023-24.
	Sound				The clerk presents detailed budget proposals in the late autumn with final Council

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	budgeting to underlie annual precept	1	3	3	decisions made in January. Projects assessed with approximate costs and in accordance with financial regulations for quotes and/or tenders, and items such as affiliation fees and staffing costs are calculated using information from SALC/NALC/HMRC. Precept derived directly from this. Expenditure against budget reported to Parish Council at each meeting in the form of Receipts & Payments update. Quarterly budget monitoring reports allow monitoring of receipts and payments and feeds into budgeting process.
	Complying with borrowing restrictions	1	3	3	The Parish Council has two loans from the Public Works Loan Board, one was taken out for the purchase of Renshaw's Field for community recreation, the other to facilitate a Village Hall grant application to Veolia. The loans are repaid by bi-annual direct debit payments as follows: Loan 1 (Renshaw's Field): £2087.52 in April and October (total £4176 annually). Outstanding balance at 31.01.2024 was £38,150.51. Loan 2 (Village Hall Grant): £429.13 in Nov and May each year (total £858.26 annually). Outstanding balance at 31.01.2024 was £6496.48.
	Contracts and value for money	1	3	3	Clerk receives updates via SALC on any changes in procurement rules and thresholds and follows latest guidance from NALC. The Council currently has contracts for insurance, and employment (clerk). Clerk will continue following financial regulations for future estimates/quotes/tenders (NB. PC notes threshold for tender process is now £30k incl. VAT and new thresholds for public contracts from Jan 2024).
	Councillors allowances and expenses	1	2	2	A Chairman's allowance was available in previous years, but was not generally used so has not been budgeted for in recent years. Councillors are reminded that expenditure must have prior approval from the Council, and they must complete a reimbursement claim (same format as Clerk expenses) which is authorised at meetings the same way as other payments. Cllrs are reminded that gifts must not be funded from the public purse.

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	Clerk's expenses	1	2	2	Expense Claim form presented to Council at Parish Council meeting monthly with receipts for stationery, stamps, etc., mileage, home allowance. Mileage rates and home allowances are within limits for reporting expenses through payroll. VAT on expenses is reclaimed when possible.
	Loss of electronic data due to equipment failure, ransomware, loss or theft of equipment	2	4	8	IT Security Procedures policy is in place and Clerk backs up files to an encrypted external back up drive in case of serious laptop fault, ransomware, or loss or theft of equipment.
Liability	Risk of injury to third party, individuals, and/or damage to property	1	4	4	PC has public liability cover for £12,000,000 which includes liability for financial loss. Contractors must comply with Council's Health & Safety Policy. New activities are risk assessed beforehand.
	Legal liability of asset ownership	1	4	4	Insurance in place (public liability and total sum insured cover). Annual safety inspection of street furniture assets owned by Parish usually takes place in Feb/March each year. Issues also reported on ad hoc basis to meetings and actions agreed. If urgent repairs/intervention is required between meetings Council will refer to Scheme of delegation.
Employer Liability	Comply with Employment Law	1	3	3	PC has Employer liability cover up to £10,000,000. PC is member of NALC, SALC, and SLCC, and clerk is member of ALCC union. Clerk has employment contract based on NALC model contract, particulars are updated as necessary. Council has an Equal Opportunities Policy Statement, Model Councillor-Clerk Protocol, Dignity

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					at Work policy, and has signed up to the Civility and Respect pledge. Disciplinary and Grievance Procedures are updated in accordance with the NALC model.
	Comply with Inland Revenue requirements	1	3	3	Regular guidance received from HMRC. PAYE and/or NICs calculated using Basic PAYE RTI software on a monthly basis and paid to HMRC by BACS. Clerk attends webinars for annual reporting and new year tasks. Internal (and where appropriate external) auditors carry out annual checks. NB. Council should just be under threshold for exemption from external audit for 2023-24.
	Safety of Staff and visitors	1	2	2	Clerk works from home, no home visits from members of the public. Health & Safety policy reviewed annually. Risk assessments for all new activities will be undertaken before work commences. Clerk has undertaken a risk assessment of the work environment in office. Personal accident cover limit of £500,000 for any one insured person (employees, volunteers, and councillors).
	Payroll loss of data	1	3	3	PAYE data backed up on laptop every month with additional backups to external hard drive. Hardcopies of payroll paperwork held in accordance with document retention policies.
	Loss of services of employee	2	4	8	Clerk has no serious underlying health conditions. No business interruption cover for loss of personnel under current insurance package. PC to immediately advertise any vacancy (if permanent loss) and request locum support from SALC to cover temporary loss.
Legal Liability	Ensuring activities are within legal powers	1	3	3	Clerk follows project checklist, and clarifies legal position on any new proposal before decision to act. Legal authorities are noted on each invoice. Clerk has achieved CiLCA qualification but Council does not have General Power of Competence (not enough elected members). Clerk receives guidance from SALC, NALC, and SLCC as needed. Notice of meetings and agendas are placed on the notice boards and on the website within legal time scales.
	Proper and timely	2	2	4	Council meet once each month except for December and August. At these meetings the minutes of the previous meeting are approved. Draft minutes are

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	reporting via the Minutes				published on the website as soon as possible after the meeting. After approval at the next Parish Council meeting, minutes updated online to show they are approved version.
	Proper document control	2	3	6	Original leases are held securely by the Clerk. Financial documents kept for the prescribed period of time. Council reviews its Document Retention Policy at least every 2 years. Data audits have been completed on hardcopy files previously, but this needs repeating as well as electronic audit (in progress). Once completed data audit to be completed annually.
	Libel and slander	1	3	3	Insurance cover for up to £100,000.
Council propriety	Registers of Interests and gifts and hospitality in place	1	4	4	Disclosures of Pecuniary Interests are sent to Shropshire Council after elections and co-option, and links are published on the PC website. Councillors are reminded to review DPis annually and to send updates to SC. No Cllr entries on gift and hospitality register for 2023-24 so far.
Other	Standing Orders	1	2	2	Reviewed at least annually and updated in accordance with NALC guidance, and these are followed.
	Financial Regulations	1	2	2	Reviewed at least annually and updated in accordance with NALC guidance, and these are followed.
	Files	2	3	6	Recent minutes, accounts, bank statements, audit files etc. are kept at Clerk's residence, in accordance with the Document Retention Policy and Data Protection Act 2018. A data audit has been completed on hardcopy files previously, but this needs repeating asap for hardcopy and electronic files (in progress). To be completed at least annually henceforward. Past minutes are kept in the archives of Shrewsbury Library.