



COLEHILL PARISH COUNCIL

RISK MANAGEMENT POLICY – ADOPTED 20th August 2024

1. Introduction

- 1.1 Colehill Parish Council is committed to identifying and managing risks, using the following procedures, and to take any action that is felt necessary to ensure risks are maintained at an acceptable level.
- 1.2 The Parish Clerk (who is also the responsible financial officer) will review risks on a regular basis, including any newly identified risks, and will report to Council if any unacceptable levels of risk are identified.
- 1.3 To help identify the risks facing our council we have grouped them under the three main types of decisions that have to be taken:
 - a) Areas where there may be scope to use insurance to help manage risk
 - b) Areas where there may be scope to work with others to help manage risk
 - c) Areas where there may be need to self-managed risk.

2. Using Insurance To Help Manage Risk

- 2.1 RISK IDENTIFICATION – Insurance cover for risk is the most common approach to certain types of inherent risk:
 - a) **Protection of physical assets** – CPC has identified which physical assets on our asset log should be insured.
 - b) **Public Liability** – CPC has a Public Liability Insurance of £10,000,000. It has also personal accident liability cover for employees, members and volunteers.
 - c) **Employers Liability** – CPC has an Employers Liability Insurance of £10,000,000.
 - d) **Employee Dishonesty** – CPC has Employee Dishonesty cover for £250,000.
 - e) **Loss of cash** – CPC has cover for cash in transit of £1,000.
 - f) **Libel and Slander** – CPC has cover for £500,000.
 - g) **Commercial legal protection** – CPC has cover for £100,000.
 - h) **Office equipment** – CPC has cover for £2,094.
 - i) **Personal accident** – CPC has cover for £100,000 / £500 per week.

2.2 INTERNAL CONTROLS

- a) Maintain an up-to-date register of Assets and Investments.
The Asset Register is reviewed annually by the Clerk and members receive a regularly updated list.
- b) Regular maintenance for physical assets.
Street furniture including public benches, bus shelters and notice boards are monitored regularly by the Parish Clerk and councillors.
- c) Annual Review of risk and the adequacy and robustness of insurance cover.
The Parish Clerk reviews the insurance cover annually, makes recommendations for approval by Council and updates cover as agreed.

2.3 INTERNAL AUDIT ASSURANCE

- a) Review of internal controls in place and their documentation.
Internal controls are reviewed as necessary by the Clerk, finance group and Internal Auditor. Recommendations are submitted to Council.

3. Working With Others To Help Manage Risk

3.1 RISK IDENTIFICATION

- a) Security for vulnerable buildings, amenities or equipment.
The Clerk's home is insured and council equipment secure. Bank statements, cheque books and stubs, debit card and stamps are kept separately to the main office overnight. Deeds and original leases are kept in a fireproof locked box, separately to the main office.
- b) Banking Services
All cheques require two signatures. Council review all payments. Payments made via online banking require authorisation by two individuals using personal security devices. No member of staff may authorise a payment to themselves, such as their salary.
- c) Professional services, contractors etc.
The Council endeavours to ensure that wherever possible it has the opportunity to select at least three providers of any professional service it requires.

3.2 INTERNAL CONTROLS

- a) The Council has Standing Orders and financial regulations that govern the awarding of contracts/purchases.
- b) Arrangements to detect and deter fraud and/or corruption.
Invoices are subjected to scrutiny by both the Clerk and the cheque signatories. Any

variation in salary payment is approved by full Council. Expenses are only approved after submission of fully detailed claim form.

- c) Regular bank reconciliations, independently reviewed.
Bank statements are received monthly and are reviewed and reconciled by a Councillor who is not the Chair or a cheque signatory. Bank accounts are reconciled regularly.

3.3 INTERNAL AUDIT ASSURANCE

- a) Review of internal controls in place and their documentation.
Recommendations from the Parish Clerk and Internal Auditor are submitted to Council.
- b) Review of minutes to ensure legal powers are available and the basis of the powers recorded and correctly applied. Where necessary, legal powers bestowed on the Council will be recorded in the minutes against decisions taken. The minutes of meetings are also reviewed during the internal audit process.
- c) Review of arrangements to prevent and detect fraud and corruption.
The use of Standing Orders, Finance Regulations, internal controls and consideration by Council are all methods which contribute to prevent and deter fraud and corruption.

4. Self-Managed Risk

4.1 RISK IDENTIFICATION

- a) Keeping proper financial records in accordance with statutory regulations.
Financial records are kept in accordance with the statutory requirements and are reviewed as part of the Audit process
- b) Ensuring all business activities are within legal powers applicable to Parish Councils.
See Section 3.3 (b).
- c) Complying with restrictions on borrowing.
Our only borrowing is a loan for The Reef for which we are reimbursed by Dorset Council.
- d) Ensuring that all requirements are met under employment law and Inland Revenue regulations.
Payroll is run on PAYE Tools. Salary forecasts are undertaken as part of the budget setting process.
- e) Ensuring the adequacy of the annual precept within sound budgeting arrangements.
The budget is reviewed and approved by Council annually.

- f) Ensuring the proper use of funds granted to local community bodies under specific powers or Section 137.
Grant applications are considered by Council within the parameters of the Grant Aid process. Section 137 grants are listed separately in the annual accounts.
- g) Proper, timely and accurate reporting of the Council business in the minutes.
Council minutes are distributed to Members in advance of the subsequent meeting so they can check the draft for accuracy and then verify as a correct record.
- h) Responding to electors wishing to exercise their rights of inspection.
The Council has adopted the Model Publication Scheme under the Freedom of Information Act 2000 and has its own written policy.
- i) Proper document control.
Paperwork is retained in accordance with national guidelines. Relevant documents are available for viewing on request. The council is registered for data protection.
- j) Register of members' interests and gifts and hospitality in place, complete, accurate and up-to-date. The members' register of interest is held by Dorset Council with a link published on our web site. It is the responsibility of Members to update the register if there are any changes. The entries are reviewed annually.

4.2 INTERNAL CONTROLS

- a) Regular scrutiny of financial records and proper arrangements for the approval of expenditure.
Monthly payment schedules are submitted to Council for approval prior to payments being made.
- b) Where necessary, recording in the minutes the precise powers under which expenditure is being approved.
See Section 3.3 (b).
- c) Regular returns of VAT.
The Clerk is responsible for completion and submission of VAT returns and these are submitted twice annually.
- d) Developing system of performance measurement In accordance with legislation.
Staff appraisal for the Parish Clerk will be undertaken annually, by the Chair and Vice-Chair. Other staff appraisals will be undertaken by the Parish Clerk and Chair.
- e) Minutes properly numbered with a master copy kept in safekeeping.
All Council and Committee minutes are correctly numbered. These are loose leaf and signed. Two years of original copies are kept in the Clerk's office, and older ones held at the Dorset History Centre. They are also kept as computer files which are backed up locally on a regular basis.

- f) Procedures to deal with enquiries from the public.
Calls, letters and e-mails are dealt with as soon as practicable unless referred to Council. In such cases, acknowledgement of the enquiry is made.
- g) Adoption of Code of Conduct for members.
The Council has adopted a Code of Conduct.

4.3 INTERNAL AUDIT ASSURANCE

- a) Review of internal controls in place and their documentation.
Internal controls are reviewed as necessary by the Parish Clerk, Chair and Internal Auditor. Recommendations are submitted to Council.
- b) Review of minutes to ensure legal powers in place, recorded and correctly applied.
See Section 3.3 (b).
- c) Computer data safety
All necessary procedures and documents are computerised and all relevant areas of the Clerk's and Assistant Clerk's computers are backed-up to an external hard drive. Full version commercial anti-virus software is always in force on the two council computers.

Version History

Date	Summary of Changes
7/4/21	New Policy
5/4/22	Amending introduction to align with the 2021 version of the JPAG Guidance Amending insurance limits in line with policy renewal
11/4/23	Remove section 3.2(d) on splitting money between 4 bank accounts
20/8/24	Removing reference to JPAG in section 1, updating insurance limits in 2.1, incorporating online payment controls in 3.1, referencing the register of interests held by Dorset Council in 4.1, extending controls for the Assistant Clerk in 4.2 & 4.3.

This Policy will be reviewed annually.

