

MINTING AND GAUTBY PARISH COUNCIL
RISK MANAGEMENT – MARCH 2019 - REVIEWED MARCH 2021
Reviewed March 2024 – no changes proposed

Mission Statement of Parish Council:

To provide services for, manage and maintain the assets of, the villages of Minting and Gautby, as well as support the villages in retaining community facilities and maintaining community cohesion as well as improving the quality of life of residents within the resources provided by the annual precept and other incomes.

ACTIVITY	RISK	EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
ADMIN				
To identify, value, and maintain all the assets of the Parish Council, and ensure that asset and investment registers are complete, accurate and properly maintained	<ul style="list-style-type: none"> Lack of knowledge of assets of Parish Council Assets lost or misappropriated Inadequate or inaccurate valuation of the council's assets Asset register not established or inadequately maintained 	<ul style="list-style-type: none"> Ascertain and record all assets for which Parish council is responsible. Create permanent asset register. The clerk is responsible for security and maintenance of each asset. Internal audit checks. Create asset register in accordance with Audit Commission 4 requirements. 	LOW	<ul style="list-style-type: none"> Ensure all new assets are immediately added to asset register Send updated information to Insurance Company to ensure adequate cover.
COMPLIANCE To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.	<ul style="list-style-type: none"> Lack of knowledge of regulations and codes. Absence of standing orders. Actions by the PC outside its powers as set out by Parliament. Lack of commitment to regulations and procedures. 	<ul style="list-style-type: none"> Ensure that all Councillors have a copy of the Good Councillors Guide, Code of Conduct, Financial Regs and Standing Orders. Highlight essential parts and provide training where possible. Ensure that Standing Orders are provided to members, understood by councillors, and reviewed once per year. Regular reference to appropriate regulations in agenda items. 		<p>Good Councillor's Guide Issued March 27th 2018</p> <p>LALC Annual Training Scheme signed up to and available to all councillors</p> <p>Updated version to be supplied annually</p> <p>Keep "Local Council's Explained", standing orders, financial regulations and a copy of "Arnold-Baker on Local Council Administration" at Meetings</p>
To comply with appropriate Government legislation regarding disability, racial equality,	<ul style="list-style-type: none"> Lack of knowledge of applicable legislation Lack of public awareness of applicable legislation. 	<ul style="list-style-type: none"> Clerk to have all appropriate legislation available. Regularly review the equality policy Review liabilities and responsibilities periodically at PC meetings. Include, as appropriate, in any public consultations. 	LOW	<ul style="list-style-type: none"> To develop a safeguarding policy by end of 2019

safeguarding children etc.	<ul style="list-style-type: none"> Failure to comply with applicable legislation. 			
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ACTIVITY	RISK	EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
PERSONNEL	Temporary loss of services of employee <ul style="list-style-type: none"> No point of contact for the Parish Council Parish Council decisions not actioned Summons to meetings not sent out on time Correspondence received not read / circulated Payments not made on time 	<ul style="list-style-type: none"> Clerk must notify the Chairman as soon as possible that she will not be attending work and give an indication of when she will be returning (Chairman to check Council's sickness policy). The Chairman will cover in the Clerk's absence. Paperwork and all digital files well organised so information can be easily located as well as cheque books/financial documents. 	Low	<ul style="list-style-type: none"> Close communication between Clerk and Chairman Protocol in place for this – e.g. password sharing. Close working between Clerk and Chairman. Agree file structure and naming protocol and where to file meeting papers and confidential items
	Permanent loss of services of employee (resignation etc) <ul style="list-style-type: none"> No point of contact for the Parish Council Parish Council decisions not actioned Summons to meetings not sent out on time Correspondence received not read / circulated Payments not made on time 	<ul style="list-style-type: none"> In-depth personnel policies and procedures have been developed to cover all aspects of recruitment, probation periods, appraisals, disciplinary and grievance etc with the assistance of a personnel consultant Personnel Working Party has been formed with strong terms of reference Advertise any vacancy (if permanent loss). Members of LALC 	low	<ul style="list-style-type: none"> Maintain LALC membership
	Risk of employing unsuitable person <ul style="list-style-type: none"> Incorrect/illegal advice provided Financial fraud Poor record keeping including minutes of PC meetings Inappropriate communications Not following Council procedures Risk of invalid insurances/legal proceedings 	Policies & Procedures developed as detailed above	Low	

ACTIVITY	RISK	EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
RISK To identify and review risks	<ul style="list-style-type: none"> No risk analysis carried out. No steps taken to combat identified risks 	<ul style="list-style-type: none"> All councillors to be made aware of need identification of risk. Add risk assessment to agenda at least annually Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission Take steps to combat identified risks 	Low	<ul style="list-style-type: none"> Diarise and Review Risk Assessment annually Learn from experience and incorporate learning into Risk Assessment Incorporate learning from experiences
DOCUMENT CONTROL Digital work stored on Parish Council laptop	<ul style="list-style-type: none"> Equipment breaking down Equipment being stolen Confidential digital information being accessed by person without permission Loss of documents that cannot be replaced Inappropriate information getting in to the public domain 	<ul style="list-style-type: none"> All documents are currently stored on password-protected Council owned laptops as well as an external hard drive which is kept in a locked filing cabinet. The PC's confidential documents are completely safeguarded from unauthorised access by being stored on password protected equipment or in locked cabinets or on encrypted email servers Virus protection software installed Laptop stored securely when not in use Computers are password protected Confidential documents password protected? 	Low	<p>After each meeting, the clerk's laptop is backed up to the chairman's laptop so that both remain up to date. In addition, the parish clerk's laptop is backed up to an external hard drive which is kept in a locked cabinet</p> <ul style="list-style-type: none">
	Backing up data <ul style="list-style-type: none"> Loss/damage of backup system at the same time as computer breaking down Loss of documents that cannot be replaced 	<ul style="list-style-type: none"> Multiple back-ups mean that at worst case we would lose data from a maximum period of 2 months (between meetings) 	Very Low	<ul style="list-style-type: none"> .
ADMIN	Hard copy paperwork and files stored in I/Chairman/Clerk's home <ul style="list-style-type: none"> Destroyed by fire/flooding/damp/rodent & insect Damage Being stolen Loss/misplacement of important documents such as Minutes/legal documents etc. Loss of documents that cannot be replaced 	<ul style="list-style-type: none"> Storage of all legal/confidential documents in Clerk's/Chairman's locked filing cabinet All confidential documents are filed in locked filing cabinet Log kept when councillors view/borrow files 		<ul style="list-style-type: none"> Implement a programme of scanning all important documents e.g. deed/maps etc so there is an electronic copy on the laptop and external hard drive and keep originals in locked filing cabinet
Handling digital and hard copy correspondence	<ul style="list-style-type: none"> Documents being misplaced 	<ul style="list-style-type: none"> Use of small, plastic filing box for current items/next meeting/cheque books etc. Log kept when councillors view/borrow files 		<ul style="list-style-type: none"> Organise work flow

	<ul style="list-style-type: none"> • Documents being passed to councillors and not returned to the Clerk • Council misses important correspondence items that should have been included on Agenda • Councillors not being circulated on documents for information only • Confidential documents being seen by unauthorised people • Loss of important documents and information • Information in the public domain which should not be • Information not available when requested 	<ul style="list-style-type: none"> • Items in circulation are listed on Councillors' Circulation List which includes both emailed and hard copy correspondence • Reliance on Clerk to include important items on the Agenda • Relevant emails shared with councillors by the Clerk as & when the information comes in or at the next meeting if of a confidential, non-urgent nature • Confidential information does not leave the Chairman or Clerk's possession • Ensure documents are stored and retained in line with the General Data Protection Regulations 2018 and policies regarding this are regularly reviewed and updated 		<ul style="list-style-type: none"> • See Council's Internal Correspondence policy • Councillors to ensure review and prompt forwarding of Correspondence folder to next Councillor • All confidential paperwork to be held in locked filing cabinet. • No confidential paperwork to leave parish council meeting with anyone other the Clerk or Chairman. • All notes from confidential, closed meetings to be typed up and printed on yellow paper and filed in confidential folder and locked in filing cabinet. • All pay slips, bank mandates to be regarded as confidential paperwork • Minutes should not include names of individual members of the public • The sender's details should not be disclosed when reading out correspondence from members of the public during parish council meetings. • Items filed appropriately • Transparency Code Items online in time
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ACTIVITY	RISK		EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
TRANSPARENCY CODE	<ul style="list-style-type: none">Website not kept up to date and Transparency Code not adhered toAgendas/Minutes not available online no later than 4 weeks after the PC meetingFinancial information not online as required by the Transparency CodeNotifications and agendas of next PC meetings not advertised on website at least 3 full days before the meeting		<ul style="list-style-type: none">Parish Council has website facility with Lincolnshire County Council – Clerk’s responsibility to upload relevant documents within specified timeframeIn accordance with Transparency Code, it is Clerk’s responsibility to upload financial information	LOW	<ul style="list-style-type: none">Ensure Clerk is fully conversant with how, when and what to update on the PC website
OUTGOING CORRESPONDENCE	<ul style="list-style-type: none">Council’s wishes are not metDeadlines to respond to planning applications are missedCouncillors are unaware of what actions have been taken on their behalf		<ul style="list-style-type: none">None		<ul style="list-style-type: none">Clerk to cc Chairman in all outgoing correspondence

ACTIVITY	RISK	EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
FINANCIAL				
Accounts	<ul style="list-style-type: none"> • Non-standard and/or non-compliant records kept. • Potential for Parish Council to be reported to the Audit Commission. • Parish Council's accounts will not be passed by the auditor 	<ul style="list-style-type: none"> • Minting and Gautby's Financial regulations are followed • Complete and statutory financial records and accounts maintained 		<ul style="list-style-type: none"> • Continue to require complete and statutory financial records and accounts • Update and review Financial Regs annually • Annual training for clerks and councillors if possible
Accountability	<ul style="list-style-type: none"> • Lack of knowledge of wishes of residents. • Use of funds not giving value for money. • Use of funds not in accordance with the wishes of the residents. 			<ul style="list-style-type: none"> • Ensure residents are consulted on all major financial issues. • Effective budget planning processes. • Creation of annual budget. • Creation of outline 2/3 year plan, if any significant changes anticipated. • RFO to create effective financial management. •
Audit	<ul style="list-style-type: none"> • Non-compliance with internal audit requirements • Potential for Parish Council to be reported to the Audit Commission. • Council's accounts will not be passed by the external auditor 	<ul style="list-style-type: none"> • Appoint experienced and qualified internal auditor • Follow recommendations from internal auditor • 'Review of the effectiveness of internal audit system' and 'Audit Plan – Risk Assessment' to be carried out annually 		<ul style="list-style-type: none"> • Ensure mid-year and year-end internal audits undertaken – diarise in Clerk's Annual Diary
To explore all possible sources of income and ensure that expected income is fully received.	<ul style="list-style-type: none"> • Lack of knowledge of possible sources of income e.g. grants. • Lack of commitment to pursue possible sources of income. • Receipts not banked or not banked promptly. • Debts not pursued promptly. • VAT claims not made promptly or made incorrectly. 			<ul style="list-style-type: none"> • Ensure that funding information is circulated • Councillor appointed to independently check bank reconciliation and sign off throughout the year. • Internal audit checks. • Ensure Clerk has appropriate and up-to-date VAT rules and checks and submits (by post) VAT reclaim in March/April each year.- Diarise

To ensure that salaries paid to employees and amounts paid to contractors are paid in line with council regulations, and are adequately monitored.	<ul style="list-style-type: none"> • Inappropriate rate of pay to employees. • Tax and NI arrangements not in accordance with regulations. • Amounts paid to contractors not in accordance with contract and inadequately monitored. 	<ul style="list-style-type: none"> • Ensure employee/employment regulations are available and understood by Clerk. • Checks by RFO and that salary review and appraisal happens early January - before budget setting (if appropriate) • Internal audit checks. • Checks by RFO. • . 		<ul style="list-style-type: none"> • HMRC Training • Diarise Appraisal • Councillors informally check that grass cutting is done as per contract
To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail	<ul style="list-style-type: none"> • Lack of knowledge of Council regulations and procedures. • Late or non- submission of annual accounts. • Year-end accounts not prepared, inaccurate, or not in accordance with Council requirements. • Inadequate audit trail from records to final accounts. 	<ul style="list-style-type: none"> • Copy financial regulations to all councillors and Minuted. • Attend training seminars where available. • Follow instructions RE exemption from external audit and ensure declaration of exemption is signed and sent to PKF Littlejohn. • RFO to monitor progress against timetable and report to PC meeting in May for council approval. • Internal audit must be completed before May meeting. • Checks by RFO. • Internal audit checks. 	Low	
Vat claimed incorrectly or not on time	<ul style="list-style-type: none"> • Penalty from VAT office for overclaiming VAT without proper invoices • Not claiming enough VAT 	<ul style="list-style-type: none"> • Expect clerk to handle 		<ul style="list-style-type: none"> • Annual check of Vat claim by Chairman with Clerk before FY end. • Ensure all vatable purchases are provided with vatable invoices. • Have list of applicable rules available in finance book • Diarise VAT Claim and refund
To keep appropriate books of account accurately and up-to-date throughout the financial year	<ul style="list-style-type: none"> • Lack of knowledge of accounting requirements • Lack of commitment to accounting requirements. 	<ul style="list-style-type: none"> • RFO ensures that books of account are formatted in such a way that internal controls are included and activated. • Bank reconciliations at scheduled meetings. • Avoid cash payments and receipts if possible. • Where cash payments and receipts are unavoidable use a properly controlled petty cash account with a set maximum balance. • Financial reports and list of payments at all scheduled PC meetings. 		<ul style="list-style-type: none"> • Regularly review Standing Orders. • RFO to produce financial reports as per financial regulations. • Internal audit reports to be made available to all councillors and any recommendations to be acted upon promptly. • Internal audit to be undertaken half yearly during each financial year.

		<ul style="list-style-type: none"> • Ensure all payments are approved in Council meetings and recorded in minutes. • Keep authorised signatories to a minimum but consistent with practicalities. 		<ul style="list-style-type: none"> • Ensure appropriate publications held and that Clerk has good knowledge of regulations. • Regular training updates
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ACTIVITY	RISK	EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
INSURANCE & RISK				
To carry out adequate safety checks on Trim Trail, bench and noticeboards, grit bins, playing field and IT equipment.	<ul style="list-style-type: none"> • Lack of information on land and equipment. • Lack of knowledge of safety requirements. • Lack of commitment to carrying out safety checks. 	<ul style="list-style-type: none"> • 'Playing Field' is item on PC meeting agenda under ongoing items • Annually appoint a councillor as playing field warden to inspect field and trim trail and report back to council at each meeting as agreed by councillors (in the event that action is required due to vandalism etc., then Warden should try and contact Chairman/Clerk to agree course of action –(e.g. if repairs needed take action as appropriate). • Uneven surface sign installed 		<ul style="list-style-type: none"> • Include in asset register all properties for which PC responsible- continually updated as required • Ensure that all current legislation and advice is held by Clerk – DDA, H&S, adequate public liability insurance cover • Playing Field Inspections by warden, who reports to PC at meetings • It is the responsibility of the Clerk to arrange annual PAT testing of Parish Council IT equipment, over 1 year old. • Appoint a Kiosk Warden to monitor Telephone Kiosk in Gautby • Agree H&S policy • Review and Update letter of agreement with MVH re Playing Field.
Insurance	<ul style="list-style-type: none"> • Not having the correct type of insurance cover • Not having sufficient cover. • Not being covered in the event of a claim 	<ul style="list-style-type: none"> • Clerk reviews insurance cover annually • Clerk contacts insurance company to ask advice to ensure insurance cover is adequate when planning additional events/activities/purchasing additional assets • Insurance arrangement with local government specialist insurers. 		<ul style="list-style-type: none"> • Insurance to be inspected/reviewed by the Parish Council annually • Asset register to be updated whenever an asset is added or removed • Insurance company to be advised of new/removed assets

To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks.	<ul style="list-style-type: none"> • Lack of knowledge of possible culpability of councillors. • Induction of new councillors to include Code of Conduct & M&GPC Policies and Procedures • Inadequate insurance cover taken out – property, personal liability, employer’s liability. 	<ul style="list-style-type: none"> • Familiarisation of standing orders & financial regulations and familiarisation with those where greatest risk occurs for all councillors. • Attend any training courses available. • Review risk assessment at least annually by including on agenda in March 		Delegate responsibility for keeping up-to-date with insurance requirements to an individual councillor/RFO
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ACTIVITY	RISK	EXISTING CONTROLS	PROBABILITY OF RISK	ACTION TO IMPROVE
Budget Setting to form Precept request to ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.	<ul style="list-style-type: none"> • Lack of knowledge of budgetary process, and of Council regulations. • Calculation not in accordance with Council regulations. • Overspending • Money being spent on things that the council does not have power to • Fraudulent payments • Inadequate internal controls with regard to monitoring expenditure. • Payments being made are not part of the authorised budget setting process 	<ul style="list-style-type: none"> • Regulations included in Standing Orders and financial regulations issued to all councillors • Checks by RFO and Internal Auditor. • Councillors being issued with ‘The Good Councillors Guide’ which lists the Acts which the Council is allowed to spend under • Two Councillors signatories on each cheque and cheque stubs & invoices initialled • List of payments to be approved by council, minuted and Payment List to be initialled by cheque signatories and counter-signed by the Chair at the meeting • Bank reconciliation at alternate PC meetings • Councillors provided with a copy of the agreed budget at the beginning of each financial year • Invoice matching when cheque signed & cheque number recorded • Monitoring and report to Council on the current year’s expenditure against budget twice per year • Checks by RFO and Internal Auditor. • Delegate responsibility for managing initial budgetary process to RFO/Chairman. 	Low	<ul style="list-style-type: none"> • Annual review of Financial Regulations & standing orders • Training • All events diarised • Mid-term and year-end internal audits undertaken to ensure appropriate practices being adhered to • To consider detailing powers/duties in legislation and associated spending powers alongside agenda items to ensure all councillors understand a councils ability and restrictions on spending

	<ul style="list-style-type: none"> • Inadequate consideration of requirements for annual precept. • Not having the budget set and missing the precept deadline Missing important items out of the budget • Missing out on receiving annual precept and therefore having insufficient funds • Failing to pay suppliers and therefore not having sufficient funds to meet all the Council's budgeted commitment • Reserves too low/high 	<ul style="list-style-type: none"> • Public can suggest items for the following year's budget at the Annual Parish Meeting • Comparison against the previous year's Income / Expenditure to ensure that all items are included • Clerk and Chair start drafting the budget in November • The Clerk produces the final draft budget at PC meeting in January to present to full Parish Council to approve at its January meeting in time to meet ELDC precept deadline • The Parish Council will approve the following year's budget and set the precept at the January meeting • Fidelity cover included in insurance 		
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Review March 2021

Risks identified since last review in March 2019

Risk	Details of risk	Possible consequences	Action taken
Incorrect V.A.T. reclaim	VAT reclaimed on mowing costs debited to non VAT registered third party [M & G VH]	VAT investigation / penalty	No costs debited to third parties in 2019-2020
Legal documents	PC unaware of the whereabouts of legal documents re. PC property	Inability to prove ownership	Investigation undertaken
Parish infrastructure	Poorly maintained fences / guard rails etc	Injury to members of the public	Maintenance undertaken
	Missing / broken road signs	Inconvenience to the public Hindrance to emergency services	Replacement / repairs
Defibrillator location	Sited on private property. No PC control over public access/ public liability insurance etc	Possible uninsured injury claim- potentially serious.	Plans to re-locate to a public area being arranged

