

Cholsey Parish Council

Risk Policy and Register

Risk Policy Statement

Cholsey Parish Council (CPC) recognises that it has a responsibility to manage risks effectively to protect its Councillors, employees, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its objectives and to maximise its opportunities.

CPC is aware that some risks can never be fully eliminated; we will take all practical and necessary steps to reduce or eliminate risks, insofar as is practically possible. CPC is aware that its employees and members will have limited knowledge and expertise in some areas and professional support will be sought for specialist areas of responsibility.

Approach to Risk Management

CPC's approach to risk management is that we should try to identify and manage risks in the most cost-effective manner within overall resources available.

In conducting risk assessment, the following steps are taken:

- Identify the area to be reviewed
- Identify what the risks may be
- Evaluate the management and control of the risk and record all findings
- Review, assess and revise as required

Responsibility for Risk Management

CPC recognises that it is the responsibility of all councillors and employees to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to service provision and to meeting CPC's objectives and community needs. This policy has the full support of CPC which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community. CPC is responsible for ensuring that this policy and procedure is adhered to.

This Risk Management Policy and Risk Assessment will be reviewed annually by the Finance Committee.

1. FINANCE

Subject	Risk(s) Identified	Risk Level (Likelihood x Impact)	Management /Control of Risk	Review/Assess/Revise
Audit and annual return	<ul style="list-style-type: none"> ▪ Not submitted within time limit ▪ Non-compliance with Accounts and Audit Regulations 	(1 x 1) = 1	<p>Qualified, independent Internal Auditor appointed. External Audit Annual Governance and Accountability Return (AGAR) completed and signed by the Internal Auditor and then completed by Council and Officers as required before sending to the External Auditor within the given deadline. Audit documents published on the Council website and on public noticeboards in accordance with legislation. Notice of Public Rights published online and on Council noticeboards and arrangements made for public inspection of Council documents by appointment (two officers or an officer/Councillor to be present). Internal and external audit process and conclusions to be reviewed by Finance Committee and Council as appropriate following completion of audits.</p>	Existing procedure adequate.
Bank and Banking	<ul style="list-style-type: none"> ▪ Inadequate checks ▪ Bank mistakes ▪ Payment mistakes ▪ Unavailability of signatories ▪ Bank charges ▪ Internet hacking ▪ FSCS limits exceeded 	(1 x 2) = 2	<p>The Council has Financial Regulations that set out banking requirements. Banking arrangements and procedures are regularly reviewed. The RFO reconciles the bank accounts monthly when statements are received. Any errors are investigated immediately. Quarterly reconciliation reports are signed by a Councillor who is not a signatory or Finance Committee member. The RFO provides hard copies of all invoices together with a payment schedule for Council meetings. These are checked and signed by two councillors who are not a signatory or Finance Committee member. Bank signatories and electronic banking authorisers are kept up to date. There should be at least two Councillors capable of</p>	<p>Existing procedure adequate. Financial Regulations reviewed annually.</p> <p>Bank statements and reconciliation approved by Council quarterly.</p> <p>Bank signatories reviewed annually</p>

			<p>authorising payments. Internet Banking procedure established requiring dual authorisation for every transaction. Petty cash is not kept or used. Antivirus software on employees' and signatories' computers to be kept updated. FSCS (financial services compensation scheme) covers deposits to £85k; where funds held near this limit, accounts are reviewed and money moved as agreed by Council, with consideration of interest rates.</p>	
Best Value Accountability	<ul style="list-style-type: none"> ▪ Work awarded incorrectly ▪ Overspend on services 	(1 x 2) = 2	<p>As per Financial Regulations, normal practice would be to seek whenever possible at least three quotations for work over £2500. For major contracts formal competitive tenders will be sought for consideration by the full Council.</p> <p>As per Financial Regulations, authorisation of expenditure may be given by:</p> <ul style="list-style-type: none"> - the council for all items over £5,000; - a duly delegated committee of the council for items over £2500 - the Clerk, in conjunction with the Chair or Council or Chair of the Finance Committee for any items over £500 - the Clerk for any items below £500. <p>If a problem is encountered with a contract the relevant Officer would investigate, check quote/tender, research problem and report to Council.</p>	Existing procedure adequate.
Budget provision and reserves	<ul style="list-style-type: none"> ▪ Insufficient funds available for services or projects 	(1 x 2) = 2	<p>A full budget is submitted to the Finance Committee and Council prior to the annual Precept request. This includes funds placed in reserve for future projects and contingencies. A minimum of 3-12 months of net revenue is kept in General Reserves. Use of budget is monitored regularly by the RFO and Clerk with quarterly reports to the Finance Committee and Council.</p>	Existing procedures adequate. Review General Reserves during budgeting process.

Charges receivable	<ul style="list-style-type: none"> ▪ Rents and fees due not received 	(1 x 1) = 1	<p>The RFO ensures that annual invoices are sent out in a timely manner for ground rents (e.g. Football Club Pavilion, Tennis Club) and allotment rental fees.</p> <p>More frequent regular payments (e.g. fish/chip van) are received by standing order.</p> <p>Burial fees are requested to be paid at least five working days before the burial date.</p> <p>Unpaid invoices are chased.</p>	Existing procedures adequate.
Contracts and contractors	<ul style="list-style-type: none"> ▪ Arrangements with contractors do not deliver service required 	(2 x 2) = 4	<p>Where contracts are delivering a good service, invoices are paid in a timely manner to maintain strong relationship.</p> <p>Problems with services are communicated to contractors and changes requested in a timely manner.</p> <p>Initial contracts awarded for 12 months; subject to satisfactory performance, subsequent contracts can be for 3 years if appropriate.</p>	Report on performance and review where appropriate.
Councillor allowances / expenses	<ul style="list-style-type: none"> ▪ Councillor allowances exceeded 	(1 x 1) = 1	<p>A £200 allowance is budgeted for Chair's expenses.</p> <p>Any expenses are claimed by presenting the relevant receipt to the Clerk for approval/payment in the same manner as other payments.</p> <p>Expenses are monitored to ensure the budget is not exceeded and expenditure reported monthly to the Council.</p>	Existing procedure adequate.
Election costs	<ul style="list-style-type: none"> ▪ Unexpected election cost 	(1 x 1) = 1	<p>Sufficient monies in reserve are budgeted to be available should the need arise.</p>	Reviewed in budget.

Financial Records	<ul style="list-style-type: none"> ▪ Inadequate records ▪ Financial irregularities 	(1 x 2) = 2	<p>The Council's Financial Regulations and Internal Controls Policy set out requirements.</p> <p>The RFO receives training to ensure knowledge is up to date.</p> <p>The accounts system includes reconciliations to reduce arithmetical mistakes.</p> <p>Bank statements and reconciliation reports are provided quarterly to full Council to check and sign.</p> <p>The Internal Auditor checks all records.</p>	<p>Existing procedure adequate.</p> <p>Review internal control processes regularly.</p>
Grants payable	<ul style="list-style-type: none"> ▪ No power to pay ▪ No authorisation of Council to pay 	(1 x 1) = 1	<p>The Council has a Grants Policy that sets out the requirements.</p> <p>All grants go through Council approval process and are minuted.</p> <p>The Clerk ensures that grant requests are within the Council's budget and legal powers (e.g. LGA S137, if no other power is available).</p>	Existing procedure adequate.
Grants receivable	<ul style="list-style-type: none"> ▪ Incorrect amount received or paid in ▪ Lack of knowledge of grant income sources 	(1 x 1) = 1	<p>Grants due to be received are checked by RFO and chased if necessary.</p> <p>All receipts are reported to the Council on the Payments Report and recorded in the minutes.</p> <p>Appoint an Officer and a Councillor as grants leads to gain experience of grant application processes and research funding opportunities.</p>	<p>Existing procedure adequate.</p> <p>Increase Council skills base in grant applications</p>
Insurance	<ul style="list-style-type: none"> ▪ Inadequate cover ▪ Expensive policy ▪ Lack of compliance ▪ Fidelity guarantee compromised 	(1 x 2) = 2	<p>An annual review is undertaken, before policy renewal, of all insurance arrangements in place, reviewing risk and adequacy of cover [loss/damage, public liability (statutory), employers liability (statutory), fidelity guarantee, volunteer activities].</p> <p>Ensure asset register is up to date.</p> <p>Ensure compliance measures are in place. Ensure fidelity checks are in place.</p>	<p>Existing procedure adequate.</p> <p>Volunteer processes to be reviewed.</p> <p>Asset register to be reviewed.</p>
Invoices	<ul style="list-style-type: none"> ▪ Goods not supplied but billed 	(1 x 1) = 1	<p>The Council's Financial Regulations set out the requirements.</p> <p>Invoices are only submitted for approval once the relevant Officer has inspected the goods/services received.</p>	Existing procedure adequate.

	<ul style="list-style-type: none"> ▪ Incorrect invoicing ▪ Errors in authorisation ▪ Unpaid invoices 		<p>The RFO checks invoice totals with the relevant officer before paying. Signatories are provided with copies of invoices and receipts when approving payments.</p> <p>Schedule of payments is produced for approval at each Council meeting and minuted accordingly.</p>	
Precept	<ul style="list-style-type: none"> ▪ Adequacy of precept ▪ Requirements not submitted to District Council ▪ Amount not received from District Council 	(1 x 2) = 2	<p>The Council commences the review of the Precept requirement annually in October/November when the Finance Committee considers a first draft based on known income and expenditure for specific budget lines, and reserve levels. The presented budget will include actual position and projected position to year end and estimated figures for the next financial year. The budget is revised as needed following Finance Committee discussions and then presented at the December full Council Meeting. The Council then resolves to agree the Precept amount required based on the budget at the January full Council Meeting. This figure is submitted by the Clerk/RFO in writing to the District Council for collection through Council Tax. RFO informs the Council when precept is received.</p>	<p>Existing procedure and timeline adequate.</p> <p>Confirm Precept requirement in January.</p>
Reporting	<ul style="list-style-type: none"> ▪ Information communication 	(1 x 1) = 1	<p>Expenditure above budget is reported to Council. Budget monitoring statement is produced quarterly and provided to the Finance Committee and Council.</p> <p>A list of receipts and payments is provided at each full Council meeting. Bank reconciliation reports are checked against bank statements by two councillors quarterly.</p>	<p>Existing communication procedures adequate.</p>

Salaries and associated costs	<ul style="list-style-type: none"> ▪ Inappropriate rates of pay ▪ Salary paid incorrectly ▪ Wrong deductions of NI or Tax ▪ Unpaid Tax & NI contributions to HMRC. ▪ Incorrect time or holiday paid. ▪ Pension ▪ Expenses paid incorrectly 	(1 x 1) = 1	<p>Council authorises the appointment of all employees through a recruitment process. All officers have a contract of employment and a job description. Officers monitor the number of hours worked.</p> <p>Pay rates are considered annually by the Staffing Committee and are informed by NALC/SLCC national pay scales.</p> <p>Salaries and pension contributions are paid by BACS. Payroll is completed by an external payroll provider, checked and overseen by the RFO. All payments are dual authorised by signatories and reported to full Council meetings.</p> <p>The payroll provider submits reports to HMRC monthly (as per RTI requirements) and PAYE payments are taken quarterly by HMRC by standing order.</p> <p>Officers' expenses are accompanied by appropriate receipts and approved by Finance Committee.</p>	Existing procedures adequate.
VAT	<ul style="list-style-type: none"> ▪ Failure to reclaim ▪ Charging. 	(1 x 1) = 1	<p>Financial Regulations set out the requirements.</p> <p>RFO adopts a system to diarise reminders.</p> <p>Reclaims are reconciled with cash book.</p> <p>The Council is not currently registered for VAT.</p>	Existing procedure to be reviewed.

2. MANAGEMENT

Subject	Risk(s) Identified	Risk Level (Likelihood x Impact)	Management /Control of Risk	Review/Assess/Revise
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Business continuity	<p>Risk of Council not being able to continue its business due to unexpected circumstances</p> <ul style="list-style-type: none"> ▪ Loss of equipment ▪ Loss of records ▪ Loss of key personnel ▪ Loss of Councillors leading to Council becoming inquorate ▪ Unavailability of meeting room 	(2 x 2) = 4	<p>Insurance of assets is in place. The Councils working files are kept online by way of a remote cloud system. Necessary paper records are retained in accordance with the Council's retention policy as well as on the website. Clerk has copy of all access passwords. In the event of the Clerk or RFO being indisposed a locum may be arranged. Council has membership of OALC for advice. Officers maintain 'How to' guides e.g. for accounts/banking, holding PC meetings, publishing documents online. Clerk is trained to use accounting software Where a Councillor vacancy arises the Clerk follows the correct legal process which leads to either a by-election or co-option process. Councillor vacancies are advertised as widely as possible. If there are fewer than 5 Councillors, the Council becomes inquorate and the District Council will take over the running of the Council (at the Parish's expense). Alternative meeting rooms are available in the village.</p>	<p>Review procedures annually</p> <p>Review and develop internal guides. Ensure accounting training current. Existing procedures for Councillor vacancies adequate.</p>
Council records – electronic	<p>Loss through</p> <ul style="list-style-type: none"> ▪ theft ▪ fire ▪ damage corruption or loss of laptop 	(1 x 2) = 2	<p>Council electronic records are stored on password-protected council owned laptops at the Parish Office or at Officer's homes when working from home. The data is stored and backed up by way of a remote cloud system. Antivirus software is kept up to date. New laptop/updated software to be secured at least five-yearly.</p>	Existing procedure adequate.
Council records - paper	<p>Loss through</p> <ul style="list-style-type: none"> ▪ theft ▪ fire ▪ damage 	(1 x 2) = 2	<p>Necessary documents are retained in accordance with the Council's retention policy and on the Council website. Paper documents are stored in a fire-proof locked safe in the Parish Office, in a locked storage cupboard at the Pavilion building, or at the Oxfordshire Records Office as appropriate.</p>	A review of the Council's retention policy and stored documents is necessary.

Data protection GDPR	<ul style="list-style-type: none"> ▪ Policy provision ▪ Data Protection Officer ▪ Non-compliance with GDPR 	(1 x 2) = 2	<p>Data protection policies have been adopted and published. Ensure Employees and Councillors receive training and are aware of their responsibilities.</p> <p>Annual registration with Information Commissioner's Office maintained.</p> <p>A Data Protection Officer is not currently necessary.</p>	Existing policies adequate. Provide training where necessary.
Employees	<ul style="list-style-type: none"> ▪ Unanticipated loss of key personnel ▪ Fraud by staff ▪ Unlawful action taken by staff ▪ Breach of Health & Safety 	(1 x 2) = 2	<p>Proactive management to ensure employees are well motivated and respected. Contingency arrangements and funding in place to provide adequate cover in the event of employee absence. Policies in place to address staff grievances. Annual appraisals taking place.</p> <p>Council employees to be included in a suitable fidelity guarantee insurance in accordance with the Financial Regulations.</p> <p>Officers provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. Regular contact with the Chair.</p> <p>All activity and payments within the powers of the Council to be resolved and minuted at Full Parish Council meetings.</p> <p>Employer's Liability insurance in place.</p> <p>Employees are made aware of their responsibilities for health and safety and the Council's H&S policy, and training is provided as required.</p> <p>Up-to-date risk assessments maintained.</p> <p>Work station assessments carried out.</p> <p>Personal protective equipment provided as necessary.</p>	<p>Existing procedure adequate</p> <p>Review contingency plans and budget in place for loss of key personnel.</p> <p>Chair to maintain regular contact with all employees.</p> <p>Review working condition safety requirements regularly. Ensure all necessary risk assessments in place and reviewed regularly. Provide further training where necessary.</p>
Freedom of information Act	<ul style="list-style-type: none"> ▪ Failure to recognize requests and/or comply adequately 	(1 x 2) = 2	<p>The Council has a model publication scheme in place.</p> <p>Officers to receive training on FOI requests.</p> <p>Provide support to Clerk in provision of information if FOI request received. The Council is aware that if a substantial request came in it could create a number of additional hours' work.</p>	<p>Officers to receive guidance and training on recognizing FOI requests.</p> <p>Monitor and report any impacts of requests made under the FOI Act</p>

Meeting location	<ul style="list-style-type: none"> ▪ Inadequate ▪ Breach of H&S 	(1 x 1) = 1	Council meetings are held at the Cholsey Pavilion or at the Great Hall, Cholsey Meadows. Premises and facilities are considered to be adequate for the Clerk, Councillors and Public who attend from H&S and comfort aspects. The venues are managed by the Pavilion Trust and the CCDT who are responsible for insurance and risk assessments.	Existing locations adequate.
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3. ASSETS AND ESTATE

Subject	Risk(s) Identified	Risk Level (Likelihood x Impact)	Management /Control of Risk	Review/Assess/Revise
Management of assets	<ul style="list-style-type: none"> ▪ Poor performance of assets or amenities ▪ Lack of knowledge of Council assets 	(2 x 2) = 4	An asset register is kept up-to-date and insurance is held at the appropriate level for all items. All assets owned by the Council are regularly reviewed and maintained. Repairs are carried out promptly subject to budget being approved by Council if necessary.	Existing procedure adequate. Conduct full review of asset register.
Physical assets: - Noticeboards - Bus shelter - War Memorial - Benches - Planters - Walls - Waste bins - Defibrillators	<ul style="list-style-type: none"> ▪ Damage or expiry of assets requiring repair or replacement ▪ Injury to third parties 	(2 x 2) = 4	Insurance for loss/damage and public liability in place. The Estate Manager is responsible for safety and maintenance of estate and physical assets. Regular recorded inspections by employees, including in response to reports of problems by members of public. Repairs are carried out promptly subject to budget being approved by Council if necessary. Defibrillators are checked monthly and components replaced in accordance with expiry dates. Benches are secured to the ground wherever possible. Waste bins are emptied by independent contractor with own insurance.	Existing procedure adequate.

<p>Estate:</p> <ul style="list-style-type: none"> - Allotment sites - Recreation Grounds - Play areas - The Forty - Burial ground - Verges (delegated function) 	<ul style="list-style-type: none"> ▪ Damage to estate/assets requiring repair or replacement ▪ Injury to third parties 	<p>(2 x 2) = 4</p>	<p>Insurance for loss/damage and public liability in place. The Estate Manager is responsible for safety and maintenance of estate and physical assets. Regular inspections by employees, including in response to reports of problems by members of public. Specific risk assessments in place for allotment sites and Recreation grounds. Weekly inspections of play area and gym equipment carried out by Officers; annual play area inspections by RoSPA registered company. Any defects highlighted actioned accordingly. Tree survey conducted every 28 months by qualified arboriculturalist and actions taken accordingly. Access to Recreation Ground managed through gated locks at Station Road and Church Road entrances. Hedge management and Recreation Ground management plans in place. Memorial stones identified as requiring action for safety reasons are made safe and the memorial owner contacted. Memorial stone testing carried out by trained officers every 5 years.</p>	
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4. LIABILITY

Subject	Risk(s) Identified	Risk Level (Likelihood x Impact)	Management /Control of Risk	Review/Assess/Revise
Employer Liability	<ul style="list-style-type: none"> ▪ Non-compliance with employment law 	<p>(1 x 1) = 1</p>	<p>Insurance in place. HR consultant retained; annual review of employer contracts and handbook by consultant. Staffing Committee and Clerk seek specialist support as required. Undertake adequate training and seek advice from NALC/SLCC as appropriate.</p>	<p>Existing procedures adequate.</p>

Legal liability	<ul style="list-style-type: none"> ▪ Lack of clarity of legality of activities ▪ Inaccurate reporting via Minutes ▪ Lack of document control 	(1 x 2) = 2	<p>Clerk to clarify legal position on proposals and to seek advice if necessary.</p> <p>Parish Council receives and approves Minutes at monthly meetings.</p> <p>Document retention policy in place.</p> <p>Seek professional support for specialist areas where necessary.</p>	Existing procedures adequate.
Legal powers	<ul style="list-style-type: none"> ▪ Illegal activity or payments ▪ Working groups taking decisions 	(1 x 2) = 2	<p>All activity and payments made within the powers of the Council to be resolved and minuted at full Council meetings.</p> <p>Ensure all Officers are sufficiently trained to advise Council, including CiLCA qualified where possible.</p> <p>Ensure Standing Orders and Financial Regulations are up to date, reviewed at least annually, and that Councillors understand these core documents.</p> <p>Ensure all Councillors understand how powers work and the key legislation the Council uses for its activities.</p> <p>Ensure Committees, Working Groups and Officers understand the extent of delegated powers for decision making.</p> <p>Scheme of delegation in place.</p>	<p>Existing procedures adequate.</p> <p>Circulate guidance to Councillors regarding Council powers.</p>
Minutes/Agenda/ Notices/Statutory documents	<ul style="list-style-type: none"> ▪ Inaccurate minutes ▪ Unlawful actions ▪ Public not given sufficient notice ▪ Missing documents ▪ Business not conducted correctly 	(1 x 1) = 1	<p>Minutes and agenda are produced in the prescribed manner by the Clerk according to legal requirements. Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to legal requirements, on noticeboards and Council website. Business conducted at Council meetings is managed by the Chair and advised by the Clerk.</p> <p>Statutory documents including Standing Orders, Financial Regulations and Code of Conduct are reviewed annually and as legislation requires.</p>	<p>Continue to ensure Agenda and Minutes posted on Council website.</p> <p>Members adhere to Code of Conduct.</p>

Public liability	Risk to third party, property or individuals	(1 x 2) = 2	Insurance is in place. Specific risk assessments for activities, projects and events are carried out as required.	Existing procedures adequate.
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5. COUNCILLORS' PROPRIETY

Subject	Risk(s) Identified	Risk Level (Likelihood x Impact)	Management /Control of Risk	Review/Assess/Revise
Members' Interests	<ul style="list-style-type: none"> ▪ Conflict of interest not declared ▪ Register of Members interests not completed ▪ Code of Conduct not followed 	(1 x 1) = 1	<p>Councillors are solely responsible for the completion and submission of their Register of Members Interests – this is a legal requirement; it is not the Council's responsibility. Councillors have a duty to declare any interests at the start of the meeting and to withdraw from discussion if necessary; regular Declaration of Interests reminder on the agenda.</p> <p>It is not the responsibility of members or the Clerk to cajole a member with a potential interest to actually declare it; it is the responsibility of the councillor concerned.</p> <p>Register of Members Interest forms to be reviewed regularly by Councillors.</p> <p>Code of Conduct to be reviewed annually by full Council.</p> <p>Code of Conduct issued to new Councillors as part of Councillor Induction Pack.</p> <p>Councillor training provided as necessary.</p>	<p>Check understanding of requirements as new councillors are appointed, and arrange training as required.</p> <p>Members to take responsibility themselves for updating the Register of Members Interests.</p> <p>Ensure Councillor Induction Pack circulated and kept up to date.</p>

Risk Prioritisation

The table below is recommended in the Joint Panel on Accountability and Governance (JPAG) Practitioners' Guide

Risk prioritisation is an assessment of the severity of impact if something were to happen and how likely it is to happen:

Likelihood x Impact = Risk Priority

Likelihood	Highly likely (3)	Medium (3)	High (6)	High (9)
	Possible (2)	Low (2)	Medium (4)	High (6)
	Unlikely (1)	Low (1)	Low (2)	Medium (3)
		Negligible (1)	Moderate (2)	Severe (3)
		Impact		

Taken from the JPAG 2021 from Section 5.97

Addressing risks:

Risk is unavoidable, and every organisation needs to take action to manage risk in a way which it can justify to a level which is tolerable. The response to risk, which is initiated within the organisation, is called ‘internal control’ and may involve one or more of the following standard responses:

- Tolerate the risk - for risks where the downside is containable with appropriate contingency plans; for some where the possible controls cannot be justified (e.g. because they would be disproportionate); and for unavoidable risks, e.g. terrorism.
- Treat the risk - a common response which can mean imposing controls so that the organisation can continue to operate; or setting up prevention techniques.
- Transfer the risk – buying in a service from a specialist external body or taking out insurance. Some risks cannot be transferred, especially reputational risk.
- Terminate the activity giving rise to the risk - it may be best to stop (or not to start) activities which involve intolerable risks or those where no response can bring the risk to a tolerable level.

	Date	Minute ref
Reviewed: Finance Committee		
Reviewed: Full Council	16 th October 2024	99a, 16 th October 2024