SARRATT PARISH COUNCIL
POLICIES AND PROCEDURES: RISK MANAGEMENT

Sarratt Parish Council is committed to identifying and managing risks, using the following Procedures and Local Councils Governance in conjunction with the Council's Financial and Non-Financial Risk Registers / Assessments (including Lone Worker Risk Assessments), to ensure that risks are maintained at an acceptable level. Any action that is felt necessary will be taken by Sarratt Parish Council.

The Clerk (and the Responsible Financial Officer) will review risks on a regular basis, including any newly identified risks, using both the associated Financial Risk Registers / Assessments and will report to Council. The review will include identification of any unacceptable levels of risk.

The Local Councils Governance and Accountability Guidance – a Practitioners Guide 2010 Edition makes the following observations regarding risk management.

The focus of good risk management is to identify what can go wrong and take steps to avoid this or successfully manage the consequences. Risk management is not just about financial management: it is about setting objectives and achieving them in order to deliver high quality public services. It goes on to make the point that Members are ultimately responsible for risk management because risk threatens the achievement of policy objectives. Members should, therefore:

a. take steps to identify key risks facing the Council;
b. evaluate the potential consequences to the Council if an event identified as a risk takes place;
c. decide upon appropriate measures to avoid, reduce or control the risk or its consequences;
d. record any conclusions or decisions reached.

To identify the risks facing a council, the Guidance recommends beginning by grouping the three main types of decisions that have to be taken into the following areas:

i. Areas where there may be scope to use insurance to help manage risk;
ii. Areas where there may be scope to work with others to help manage risk;
iii Areas where there may be need to self-manage risk.

1. AREAS WHERE THERE MAY BE SCOPE TO USE INSURANCE TO HELP MANAGE RISK`

1. **Risk identification**

   Insurance cover for risk is the most common approach to certain types of inherent risk:

   a. Protection of physical assets - All physical assets are insured.
   b. Public Liability - Sarratt Parish Council has a Public Liability Insurance of £10,000,000. It has also personal accident liability cover for employees, Members and volunteers under the above policy.
   c. Employers Liability - Sarratt Parish Council has an Employers Liability Insurance of £10,000,000
   d. Loss of cash
   e. Fidelity guarantee
   f. Libel and Slander
   g. Commercial legal protection
   h. Office equipment
   i. Personal accident

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 - Assets are monitored by the Clerk. Inspection of the allotments and other land owned by the Council takes place on a regular basis by the Clerk / the Council's groundworks contractor.
   c. Annual Review of risk and the adequacy and robustness of insurance cover - The Clerk reviews the insurance cover annually, makes recommendations for approval by Council and updates the cover as agreed.

3. **Internal audit assurance**

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

2. AREAS WHERE THERE MAY BE SCOPE TO WORK WITH OTHERS TO HELP MANAGE RISK

1. **Risk identification**

   a. Security for vulnerable buildings, amenities or equipment - Council office alarm installed and regularly maintained.
   b. Maintenance for vulnerable buildings, amenities or equipment - In-house maintenance is undertaken where possible and contractors used as needed. Annual inspection carried out on amenities.
   c. Banking Services - Reviewed not less than every 4 years by Council. All cheques require two signatures. All bank payments raised by the Clerk need to be approved by two Members as part of the payment process. All bank payments

and reconciliations are retrospectively reviewed monthly at a full Council meeting. Authority is delegated to RFO to transfer money between the Council's accounts up to £30,000 following approval of the Council.

d. Provision of amenities/facilities - Allotments are leased on an annual basis.
e. Professional services, contractors etc. - The Council endeavours to ensure that wherever possible it has the opportunity to select (from several, and at least three) providers of any professional service it requires where the cost is likely to exceed £3,000.

2. Internal controls

a. Standing Orders and Financial Regulations dealing with the award of contracts for
services or purchases - 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 approvers of the bank transaction and / or cheque signatories.
c. Regular bank reconciliations, independently reviewed - Bank statements are received monthly and are reconciled by the Clerk. Bank reconciliations are included at every meeting and signed by two Members.

3. Internal audit assurance

a. Review of internal controls in place and their documentation - Recommendations from the Clerk, Policy & Resources Lead Councillor, and the 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 appropriate, 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.

3. AREAS WHERE THERE MAY BE A NEED TO SELF-MANAGE RISK

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 Processes.
b. Ensuring all business activities are within legal powers applicable to Parish Councils - See Section 2 Internal Audit Assurance (b.)
c. Complying with restrictions on borrowing - There is currently no borrowing.
d. Ensuring that all requirements are met under employment laws and Inland Revenue Regulations - Inland Revenue calculations are made by Sage and are

subject to the audit process. Salary forecasts are undertaken as part of the budget setting process.

e. Ensuring all requirements are met under Customs and Excise regulations - All such requirements are met by the Clerk and the Internal Audit Process
f. Ensuring the adequacy of the Annual Precept within sound budgeting arrangements - The budget is reviewed and approved by Council annually prior to submission of the Annual Precept.
g. 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 Grants Policy. Section 137 grants are listed separately in the annual accounts
h. Proper, timely and accurate reporting of the Council business in the Minutes - Council Minutes are distributed to Members well in advance of the subsequent meeting who check the draft for accuracy and then verify them as a correct record of the meeting as one of the first items of business at the next meeting. Minutes of all Council meetings are signed by the Chair. Failure to do so is recorded. Any working party notes are presented to full Council for information and ratification and are included in the minutes.

i. Responding to electors wishing to exercise their rights of inspection - The Council has adopted the Publication Scheme under the Freedom of Information Act 2000 and has its own written policy.

j. Proper document control - Paperwork is retained in accordance with national guidelines and shown in Council's 'Retention of Documents' Policy. Relevant documents are available for viewing on request. The Council is registered with the Data Protection Office.

k. Register of Members' interests and gifts and hospitality is in place. A complete, accurate and up-to-date Members' Register of Interests is held by the Clerk and a copy is held by the Monitoring Officer at Three Rivers District Council. Members update their Register of Interests annually and it is the responsibility of Members to notify the Clerk of any changes.

2. Internal controls

a. Regular scrutiny of financial records and proper arrangements for the approval of expenditure - monthly payment schedules are submitted to Council.
b. Recording in the Minutes the precise powers under which expenditure is being approved – full details are recorded in the Minutes.
c. Regular returns to the Inland Revenue; contracts of employment for all staff; systems of updating records for any changes in relevant legislation reviewed by Council - Inland Revenue Returns are completed and submitted by the Clerk. Employment Contracts are in place. Salaries are calculated by SAGE and are subject to Internal Audit. Staffing issues are referred to the Chair for recommendation to Council.

d. Regular returns of VAT - The Clerk is responsible for completion and submission of VAT returns and these are submitted quarterly.
e. Developing a system of performance measurement - In accordance with legislation, a staff appraisal for the Clerk will be undertaken annually, by the Lead Member for Policy & Resources and / or the Chair.
f. Minutes properly numbered with a master copy kept in safekeeping - All Council Minutes are correctly numbered. These are loose leaf and signed. Original copies are kept in the Clerk's office. They are also kept as computer files which are backed up locally and remotely.
g. Documented procedures to deal with enquiries from the public - Calls, letters and e-mails are dealt with as soon as practicable unless referred to a Member(s) or Council. In such cases, acknowledgement of the enquiry is made.
h. Documented procedures for document receipt, circulation, response, handling and filing - The Clerk receives all mail (including email). All relevant mail is listed for consideration or information. Mail for action is dealt with accordingly and filed when actions are completed. All mail is date stamped upon receipt.
i. Adoption of Codes of Conduct for members - The Council has adopted a Code of Conduct.

3. Internal Audit assurance

a. Review of internal controls in place and their documentation - Internal controls are reviewed as necessary by the Clerk and Internal Auditor. Recommendations are submitted to Council
b. Review of Minutes to ensure legal powers in place, recorded and correctly applied.
c. Computer data safety - All necessary procedures and documents are computerised, and all relevant areas of the Clerk's computer are backed-up weekly to an external server.

Reviewed and adopted: **11 February 2025**