

## SOUTH KYME PARISH COUNCIL RISK MANAGEMENT POLICY

### Mission Statement:

To provide services for the village of South Kyme within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents, maintaining, managing and ensuring the safe use of assets and equipment and obtaining value for money.

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible
<p><b>1.</b> To ensure compliance with Acts of Parliament, Council's financial regulations and code of conduct.</p> <p><i>Including:</i>  <i>Freedom of Information</i>  <i>Data Protection</i>  <i>Child Protection</i>  <i>Protection of vulnerable people</i>  <i>Local government legislation</i>  <i>Equality of opportunity</i>  <i>Racial equality</i>  <i>Disability legislation</i>  <i>Localism Act</i>  <i>Transparency Code for Smaller Authorities</i></p>	1. Lack of knowledge of regulations and codes.	Ensure that all Members have copies of relevant Acts, Code of Conduct, and Standing Orders. Provide training where possible.	Chair Clerk
	2. Absence of standing orders	Ensure that Standing Orders are understood by Members, and reviewed at least once per year.	Chair Clerk
	3. Actions by the PC outside its powers as set out by Parliament.	As at 1 above, but ensure that powers are highlighted or extracted into effective summary.	Chair Clerk
	4. Lack of commitment to regulations and procedures.	Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual Members.	Chair Clerk
	5. Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism.	Ensure that all Members are aware of regulations re estimates and full tender procedures. Introduce practice of estimates for all purchases over an agreed figure.	Chair Clerk RFO
	6. Payments made without prior approval and adequate control.	Ensure all payments are approved in Council meetings and recorded in minutes. Keep cash payments to a minimum, and avoid if possible.	Clerk RFO
	7. Lack of control of signatories to cheques.	Keep authorised signatories to a minimum but consistent with practicalities.	RFO
	8. VAT not properly accounted for, resulting in over-claims and large demands from HMRC.	Ensure appropriate publications held and that RFO has good knowledge of regulations. Provide training where necessary.	RFO
<b>Current risk level low</b>			



<p>4. To keep appropriate books of account accurately and up-to-date throughout the financial year.</p> <p><b>Current risk level low</b></p>	1. Lack of knowledge of accounting requirements	Ensure all Members are familiar with current financial regulations and include them with the Council's Standing Orders. Regularly review Standing Orders. Appoint separate RFO to ensure another line of responsibility for financial management.	Chair
	2. Lack of commitment to accounting requirements.	As at 1 above. RFO to produce financial reports at all meetings. Internal audit reports to be made available to all Members and any recommendations acted upon promptly.	RFO
	3. Bank charges unnecessarily incurred	RFO to carry out regular inspection of books of account. Internal audit to be undertaken periodically during the current financial year.	RFO
	4. Inaccuracies in recording amounts and totals in books of account.	RFO to ensure that books of account are formatted in such a way that internal controls are included and activated.	RFO
	5. Inaccuracies and interest losses caused by account transfers.	Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account.	All Members
	6. The most beneficial interest terms not being employed.	Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives.	RFO
	7. Inadequate control of cash receipts and payments.	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.	RFO
	8. Books of account not kept up to date/ invoices not posted promptly.	Regular checks by RFO and internal auditor. Financial reports at all PC meetings.	RFO/Internal auditor
	9. Internal controls not in place or not operated.	As at 8 above.	
	10. Payments missed or delayed due.	As at 8 above.	
	11. Fund raising not properly controlled or not in accordance with regulations.	All Members to be aware of need to check regulations before fund-raising activities are commenced and such activities are in accordance with the wishes of residents.	All Members

<p>5. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.</p> <p><b>Current risk level medium</b></p>	<ol style="list-style-type: none"> <li>1. Lack of knowledge of budgetary process, and of Council regulations.</li> <li>2. Lack of commitment to budgetary process.</li> <li>3. Inadequate consideration of requirements for annual precept.</li> <li>4. Calculation not in accordance with Council regulations.</li> <li>5. Inadequate internal controls with regard to monitoring expenditure.</li> <li>6. Reserves too low.</li> </ol>	<p>Place item on agenda in adequate time before the new financial year to remind Members of budget process and actions required. Delegate responsibility for managing initial budgetary process to RFO.</p> <p>As at 1 above Involve all Members in budgetary process, not solely the RFO/Clerk.</p> <p>Delegate responsibility for managing initial budgetary process to RFO. Start consideration of need at least 4 months prior to submission date. Create annual and 2/3 plans to assist in process.</p> <p>Checks by RFO and Internal Auditor.</p> <p>Checks by RFO and Internal Auditor. Financial and budget progress reports to all PC meetings.</p> <p>As at 5 above.</p>	<p><b>Clerk Chair</b></p> <p><b>RFO</b></p> <p><b>RFO</b></p>
<p>6. To explore all possible sources of income, and ensure that expected income is fully received.</p> <p><b>Current risk level medium</b></p>	<ol style="list-style-type: none"> <li>1. Lack of knowledge of possible sources of income e.g. grants.</li> <li>2. Lack of commitment to pursue possible sources of income.</li> <li>3. Receipts not banked or not banked promptly.</li> <li>4. Debts not pursued promptly.</li> <li>5. VAT claims not made promptly or made incorrectly.</li> </ol>	<p>Appoint a Member as Grants Officer to gain experience of all grants available and application procedures.</p> <p>As at 1.</p> <p>Regular checks by RFO. Internal audit checks.</p> <p>As at 3 above.</p> <p>Ensure RFO has appropriate and up-to-date VAT official publications. Regular checks by RFO. Internal audit checks.</p>	<p>Appointed Member</p> <p>RFO/Internal Auditor</p> <p>RFO</p>
<p>7. To ensure that salaries paid to employees and amounts paid to</p>	<ol style="list-style-type: none"> <li>1. Inappropriate rate of pay to employees.</li> </ol>	<p>Ensure employee regulations are available and understood by Clerk. Checks by RFO.</p>	

<p>contractors are paid in line with council regulations, and are adequately monitored.</p> <p><b>Current risk level low</b></p>	<p>2. Tax and NI arrangements not in accordance with regulations.</p> <p>3. Amounts paid to contractors not in accordance with contract and inadequately monitored.</p>	<p>Internal audit checks. Ensure that salaries are reviewed annually</p> <p>As at 1 above. Internal audit checks.</p> <p>Checks by RFO. Appoint councillor to monitor contract work carried out.</p>	<p>Chair Appointed Member</p>
<p>8. To ensure that year-end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.</p> <p><b>Current risk level low</b></p>	<p>1. Lack of knowledge of Council regulations and procedures.</p> <p>2. Late or non- submission of annual accounts.</p> <p>3. Year end accounts not prepared, inaccurate, or not in accordance with Council requirements.</p> <p>4. Inadequate audit trail from records to final accounts.</p>	<p>Include financial regulations in Standing Orders. Attend training seminars where available.</p> <p>Include a time table in Standing Orders. RFO to monitor progress against timetable and report to PC meetings.</p> <p>Checks by RFO. Internal audit checks.</p> <p>As at 3 above</p>	
<p>9. To identify, value, and maintain all the assets of the Council, and ensure that asset and investment registers are complete, accurate and properly maintained.</p> <p><b>Current risk level low</b></p>	<p>1. Lack of knowledge of assets of Parish Council.</p> <p>2. Assets lost or misappropriated</p> <p>3. Inadequate or inaccurate valuation of the council's assets.</p> <p>4. Asset register not established or inadequately maintained.</p>	<p>Maintain permanent asset register.</p> <p>Establish who is responsible for security and maintenance of each asset.</p> <p>Appoint Member responsible for regular monitoring of location and use of assets.</p> <p>Arrange for periodic review of valuations and arrange for professional valuation where necessary.</p> <p>Internal audit checks.</p> <p>Maintain asset register, including changes of or to assets and substantial maintenance carried out on assets.</p>	<p>RFO</p> <p>Chair Appointed Member</p> <p>RFO</p>

<p><b>10</b> To carry out adequate safety checks on all properties, street furniture and groundwork equipment for which the Council is responsible and that operators of such equipment are suitably trained and protected.</p> <hr/> <p><b>Current risk level medium</b></p>	<ol style="list-style-type: none"> <li>1. Lack of information on properties, buildings and equipment.</li> <li>2. Lack of knowledge of safety requirements.</li> <li>3. Lack of commitment to carrying out safety checks.</li> <li>4. Risk of injury to volunteers operating equipment in the use of equipment</li> <li>5. Risk of injuries to third parties and third party property.</li> </ol>	<p>Ensure that all current legislation and advice is held by Clerk. Include in asset register all properties and equipment for which Council is responsible.</p> <p>Ensure that all current legislation and advice is held by Clerk. Place subject as item on Council meeting agenda at regular intervals.</p> <p>As at 2 above. Delegate responsibility for supervision of particular properties/equipment to individual councillors, reporting back to council for any action.</p> <p>Ensure a proper training programme in the use of groundwork equipment is established, carried out and that records of training are maintained.</p> <p>Ensure that appropriate Personal Protective Equipment is provided and used. Appoint an individual councillor to be responsible for Health and Safety procedures in use of all groundwork equipment and ensuring adequate insurance cover is in place.</p>	<p>Clerk</p> <p>Chair</p> <p>Appointed Member</p>
<p><b>11.</b> To comply with appropriate legislation regarding disability, racial equality, safeguarding children etc.</p> <hr/> <p><b>Current risk level low</b></p>	<ol style="list-style-type: none"> <li>1. Lack of knowledge of applicable legislation</li> <li>2. Lack of public awareness of applicable legislation.</li> <li>3. Failure to comply with applicable legislation.</li> </ol>	<p>Clerk to have all appropriate legislation available. Review liabilities and responsibilities periodically at Council meetings.</p> <p>Include, as appropriate, in any public consultations.</p>	<p>Clerk</p>