

ASHCHURCH RURAL PARISH COUNCIL – RISK STRATEGY & MANAGEMENT POLICY

Introduction

Risk management is a structured approach to managing known, and perceived threats (e.g. cuts at Borough and County level which may reduce local services).

It closely relates to a Council's ongoing activities and flows from regular assessment of risk.

For Parish Councils this may be described as risk awareness & engagement.

It is recommended that Ashchurch Rural Parish Council and its Parish Clerk & RFO manage risks to Ashchurch on an ongoing basis within its vicinity by:

- identifying risks to the parish and parishioners;
- developing strategies to manage, and alleviate these risks;
- working in partnership with the community using its resources; and
- working with others outside our boundaries who share our interests, and aims.

A Structured Approach

The Council's approach to risk management starts at the beginning of each business year. By setting aside time to review its business and strategies the Council will gain a clear view of its priorities, and revisit its objectives and how they are to be managed. This has the advantage of developing clear roles that will help the Council effectively use its powers and duties for the benefit of the community.

Risk Management Assessments

When the need is identified *in year* risk management assessments may be carried out by the lead Councillor(s) with the assistance of the Clerk as required. For example when there is new housing development in the parish assessing new play areas for children, and their ongoing safety.

Consideration by the Council

The Council as the decision making body resolves issues, and makes decisions by consensus following constructive engagement and thought by all its members.

To assist Councillors to act as a corporate body several basic requirements need to be in place, including early referral of projects with:

- Answers to key questions - **Why? What? When?**
 - **Community benefit?** (*should be clearly established*)
 - **Consequences?** (*if not done now, or in future*)
 - **Cost/benefit ratio?** (*benefit must outweigh cost*)
 - **Comparison with other projects?** (*order of priority*)

- Specialist Advice
 - Health & Safety, Legal, Resources, Facility Management
(if and when we have a play area) trees, footpaths etc.

- Up to date reports
 - showing progress, latest and planned expenditure on current projects; and
 - significant projects (over £500) planned over next three to five years by programme (e.g. village works , bus shelter)

Action by Working Party

Where this applies this is driven by a clear programme of work delegated by the Council, and monitored by ongoing monthly progress reports to the Council. The Clerk may not commit resources on new projects without reference to the full Council, unless delegated authority has been approved in accordance with the Finance Regulations.

Business Item	Risk	Level of Risk - High/Medium/Low	Alleviation of Risk by Twyning Parish Council	Ongoing Review
Council				
Decision making	Maintaining the work of the Council without its full complement of 6 Councillors.	M	By promoting of the role of the Council within the community to generate interest in potential co-optees to the Council.	Publicise work using the the newsletter, <i>website</i> and noticeboards.
Training	Lack of awareness of the roles and powers of the Council, Clerk and Councillors	M	Councillors to attend training.	* Parish Clerk to arrange.
Declaration of interest(s)	Debating issues, and voting without declaration of personal and/or prejudicial interest.	L	Agenda item at Council Meetings. Guidance circulated.	* Register of Interest forms reviewed and updated at Annual Meeting.
Review of risk assessment policy	Changing circumstances,	M	Annual review	Commencing 2017.
Resources & Services	Recognition of potential cuts at Borough and County level that may reduce local services.	M	Identifying services at potential risk e.g. village lighting, footpath & bridge maintenance	* Setting aside contingency monies within budget to cover local funding.
<u>Finance:</u>	(a) Ensuring adequacy of precept	L	i) RFO checks receipt of the council tax base rate from ARPC for Band D property in the parish.	* Council to review draft budget in the autumn, and formally sets precept in January by offsetting

Precept	<p>b) Precept not submitted to TPC</p> <p>c) Precept not received by Parish Council</p> <p>Inadequate checks resulting in errors.</p>	<p>L</p> <p>L</p> <p>H</p>	<p>ii) RFO prepares draft budget by forecasting expenditure on new and existing projects.</p> <p>RFO sends formal request in writing to TPC after January Council meeting.</p> <p>Precept is transferred via BACS into Parish Council's bank.</p> <p>Payments are made by cheque from the current account signed by two authorised signatories, and bank stubs initialled & retained.</p>	<p>financial requirement against unallocated balances.</p> <p>* RFO to advise Council of TPC deadline, and copies in Councillors.</p> <p>* RFO to advise Councillors of receipt of monies.</p> <p>Signatories found to be out of date. New signatories approved, and notified to bank.</p>
Banking		<p>L</p> <p>M</p>	<p>Interest rate on savings accounts to be reviewed regularly.</p> <p>The RFO is responsible for bank correspondence, and statements & carries out bank reconciliations to ensure all receipts and payments are accounted for; and sufficient monies are available for monthly outgoings.</p>	<p>Business reserve rates checked</p> <p>* RFO to liaise with Chairman to produce letter of authority to transfer monies from current account to savings account when required.</p>
Financial Reporting	<p>To ensure Councillors receive accurate financial records & bank reconciliations to permit informed decisions by the Council.</p>	<p>L</p>	<p>RFO financial reports for Council meetings showing receipts and expenditure against budget for approval by the Council.</p>	<p>Existing procedures to be retained.</p>

Audit	To provide independent assurance to the Council of the accuracy of the accounts, & that expenditure is in accordance with Council decisions and budget.	L	Internal auditor appointed by the Council at the Annual Parish Meeting, and internal and external Audits carried out each year. Results are reported to the Council.	Cover for losses is part of TPC's insurance.
Cash	Loss through theft, dishonesty, or inefficiency	L	No petty cash system in operation, but payments received to be banked	
Financial Regulations	Not used for reference, or guidance.	H	Ensure current version complies with the current national guidance.) } * to be reviewed)
Insurance	Adequacy of cover, including public liability	L	Level of cover to be examined against risk and assets held.	To be updated annually
	Cost	M	Recognition of current competitive market	
Assets	Failure to recognise assets held/not held.	L	Asset register to be maintained and updated.	
VAT	Potential loss of receipts to Council. Annual exercise to recover VAT payments forgotten.	L	RFO records VAT on purchases on finance spreadsheet & retains VAT receipts for VAT refund claim to HM Customs & Revenue.	Existing procedures to be retained. Councillors notified of monies reclaimed.
Section 137 Expenditure	Exceeding statutory limit for expenditure per financial year. [Section 137(4)(a) of the Local	L	Keeping records to ensure that the payments limit per elector for parish and town councils in	* Council to receive financial reports detailing S137 payments monitor

	Government Act 1972]		England is not exceeded.	annual expenditure.
<i>S106 Income</i>	<i>Potential risk of recovery of monies plus interest if not used for community</i>	H	<i>Records are maintained showing monies, & year of receipt</i>	<i>Check of outstanding monies to be paid with TBC</i>
Contracts	Not gaining “Best Value” for the community.	M	By seeking more than one quotation for any works or goods obtained in accordance with the Finance Regulations.	*Regular review grass cutting contracts
Staff	Retention of trained Clerk & RFO Correct salary paid Risk of financial penalty if PAYE contributions not paid (& Annual Return) not made by HM Customs & Revenue’s deadline.	M L H	Contract & terms and conditions agreed. New Payroll service approved. Obtain advice from GAPTC .	* Council to review pay arrangements & cover office expenses.
Projects	Financial and H&S risks if not correctly project managed, and outcome evaluated.	M	Council, or Working Party to carry out in year Risk Assessment; and assess findings	* Need to ensure annual safety assessments of the play areas when installed.
Contingency Planning	Cuts in services provided by TBC and CCC lead to additional financial pressures at parish level.	M	Careful monitoring of budget cut back messages received from Borough and County Councils to identify areas at risk (e.g. parish lighting).	* Contingency fund(s) to be built into budget.

Statutory records	<u>Risk of loss of:</u>			-
	- records of Council Meetings.	L	Documents copied onto Clerk's computer, and backed up.	-
Electronic records	Loss of working & policy documents, correspondence and finance records.	M	"	-
Data Protection	Non compliance with the requirements of the Data Protection Act 1998	L	ARPC has complied with the requirement to produce a Publication Scheme, and advertise information available on request.	-
Freedom of Information	Non compliance with the requirements of the Freedom of Information Act 2000	L	Relates to requests for information.	Not currently published. A priority. Information to be made available except for confidential staff matters.
Community				
Communication	Lack of awareness by the wider community of the role, and achievements of the Council.	M	Communication Strategy includes publicising current Councillors, and their roles.	Maintaining village newsletter update of Council activities.
	Lack of involvement in key areas of local community life.	M	Attendance at Management Committee Meetings of the Village Hall.	Councillors to receive reports.

