



KNIGHTSFORD GROUP PARISH COUNCIL  
RISK STRATEGY AND MANAGEMENT POLICY

Last reviewed on 10 May 2023

Next review due May 2024 or sooner if required.

## **Introduction**

Risk management is a structured approach to managing known, and perceived threats, (for example, cuts at 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 Knightsford Group Parish Council and its Parish Clerk & Responsible Financial Officer manage risks to Knightsford 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
- working with others outside its boundaries who share its 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 Councillors 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?
  - o Community benefit? (should be clearly established)
  - o Consequences? (if not done now, or in future)
  - o Cost/benefit ratio? (benefit must outweigh cost)
  - o Comparison with other projects? (order of priority)
- Specialist Advice on Health & Safety, Legal, Resources, Facility Management, (if and when KPC has a play area) trees, footpaths etc.
- Up to date reports on showing progress, latest and planned expenditure on current projects or significant projects (over £500.00) planned over next three to five years by programme, e.g. village works, bus shelters etc.

## **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 financial regulations.

| Business Item                    | Risk                                                                              | Level of Risk<br>High/Medium/Low | Alleviation of Risk by<br>Knightsford Parish Council                                                                                                                             | Ongoing Review                                                                                                                                     |
|----------------------------------|-----------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Council</b>                   |                                                                                   |                                  |                                                                                                                                                                                  |                                                                                                                                                    |
| Decision Making                  | Maintaining the work of the Council without its full complement of 11 Councillors | M                                | By promoting the role of the Council within the community to generate interest in potential co-optees to the Council                                                             | Publicise work using the website, noticeboards, and an parish magazines/newsletter                                                                 |
| Training                         | Lack of awareness of the roles and powers of the Council, Clerk and Councillors   | M                                | Councillors and Clerk to attend training                                                                                                                                         | Parish Clerk to arrange through DAPTC                                                                                                              |
| Declaration of Interest (s)      | Debating issues without declaration of personal and/or prejudicial interest       | L                                | Agenda item at Council Meetings<br>Guidance circulated                                                                                                                           | Register of Interest forms reviews and updated at Annual Meetings                                                                                  |
| Review of Risk Assessment Policy | Changing circumstances                                                            | M                                | Annual review                                                                                                                                                                    | Commencing 2023                                                                                                                                    |
| Resources & Services             | Recognition on of potential cuts at County Level that may reduce local services   | M                                | Identifying services at potential risk eg village lighting, foot and bridge maintenance                                                                                          | Setting aside contingency monies within budget to cover local funding                                                                              |
| <b>Finance</b>                   |                                                                                   |                                  |                                                                                                                                                                                  |                                                                                                                                                    |
| Precept                          | Ensuring adequacy of precept                                                      | L                                | RFO checks receipt of the council tax base rate from ARPC for Band D property in the parish<br>RFO prepares draft budget by forecasting expenditure on new and existing projects | Council to review draft budget in the autumn and formally set precept in November by offse0ng financial requirements against unallocated balances. |

|         |                                                                                                                                                         |   |                                                                                                                                                                                                                       |                                                                                                   |
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|         | Precept not submitted to DC                                                                                                                             | L | RFO sends formal request in writing to DC at December Council meeting                                                                                                                                                 | RFO to advise Council of DC deadline and report at meeting                                        |
|         | Precept not received by Parish Council                                                                                                                  | L | Precept is transferred via BACS                                                                                                                                                                                       | RFO to advise Councillors of receipt of monies                                                    |
| Banking | Inadequate checks resulting in errors                                                                                                                   | L | Payments are made by duly authorised electronic transfer                                                                                                                                                              | Mandate kept up to date                                                                           |
|         |                                                                                                                                                         | L | Interest rate on saving accounts to be reviewed regularly                                                                                                                                                             | Business reserve rates checked                                                                    |
|         |                                                                                                                                                         | M | The RFO is responsible for bank correspondence and statements and carries out bank reconciliations to ensure all receipts and payments are accounted for; and insufficient monies are available for monthly outgoings | RFO to obtain permission to transfer monies from current account to savings account when required |
| Audit   | To ensure Councillors receive accurate financial records and bank reconciliations to permit informed decision by the Council                            | L | RFO financial reports to Council meetings showing receipts and expenditure against budget for approval by Council                                                                                                     | Existing procedures to be retained                                                                |
|         | To provide independent assurance to the council of the accuracy of the accounts and 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 the losses is part of the Insurance                                                         |

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| Cash                    | Loss through the dishonesty or efficiency                                                                          | L | No petty cash system in operation but payments received to be banked                                                  |                                                                                            |
| Financial Regulations   | Not used for reference or guidance                                                                                 | L | Ensure current version complies with the current national guidance                                                    | Periodically 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 | Recognise on of competitive market                                                                                    |                                                                                            |
| Assets                  | Failure to recognise assets held/not held                                                                          | L | Asset register to be maintained and updated                                                                           | To be updated annually                                                                     |
| VAT                     | Potential loss of receipts to Council and annual exercise to recover VAT payments forgotten                        | L | RFO records VAT for purchases on finance software and retains VAT refund claim to HM Customs & Revenue                | Existing procedures to be retained and councillors notified of monies reclaimed.           |
| Section 137 Expenditure | Exceeding statutory limit for expenditure per financial year. Section 137 (4) (a) of the Local Government Act 1972 | L | Keeping records to ensure that the payments limit per elector for parish and town councils in England is not exceeded | Council to receive financial reports detailing S137 payments to monitor annual expenditure |
| S106 Income             | Potential risk of recovery of monies plus interest if not used for community                                       | H | Records are maintained showing monies & year of receipt                                                               | Check with DC with regard to outstanding monies to be paid                                 |
| Contracts               | Not gaining "Best Value" in terms of service against cost for the community                                        | M | By seeking more than one quota on for works or goods obtained in accordance with the Finance Regulations              | Regular review of maintenance contracts                                                    |

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| Staff                          | Retention of trained clerk and RFO. Clerk to carryout work station suitability                                           | M | Contract & terms and conditions agreed for pay and pension<br>Health and Safety of workplace<br>Display Screen Equipment | Council to review annually pay, expenses and pension provisions.<br>Annual review of workstation  |
|                                | Correct salary paid                                                                                                      | L | Payroll service approved                                                                                                 |                                                                                                   |
|                                | Risk of financial penalty if PAYE contributions not paid (and Annual Return) not made by HM Customs & Revenue's deadline | H | Obtain advice from DAPTC                                                                                                 |                                                                                                   |
| Projects                       | Financial and H&S risks if not correctly project                                                                         | M | Council to carry out risk assessment when appropriate                                                                    | Need to ensure annual or 'in year' safety assessments                                             |
|                                | managed, and outcome evaluated                                                                                           |   |                                                                                                                          |                                                                                                   |
| Contingency Planning           | Cuts in services provided by DC and DAPTC lead to additional financial pressures at parish level                         | M | Careful monitoring of budget cut back messages received from County Council                                              | Contingency fund (s) to be built into budget.                                                     |
| Statutory & electronic records | Loss of Council meeting records                                                                                          | L | Documents copied onto clerk's computer and backed up                                                                     |                                                                                                   |
| Data Protection                | Non-compliance with the requirements of GDPR                                                                             | L | Generic GDPR Policy adopted                                                                                              | Review periodically to ensure ongoing compliance                                                  |
| Freedom of Informa on          | Non-compliance with the requirements of the Freedom of Informa on Act 2000                                               | L | Relates to requests for information                                                                                      | Information to be made available in accordance with the Act except for confidential staff matters |

| Community          |                                                                                                          |   |                                                                                                                                           |                                                                                                   |
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| Communication      | Lack of awareness by the wider community of the role and achievements of the Council                     | L | Councillors are identified both in public documents and on the website, and in additional accomplishments appear in the annual newsletter | Maintaining website and the production of an annual newsletter as an update of Council activities |
|                    | Lack of involvement in key areas of local community life                                                 | L | Involvement in local campaigns of importance to local residents and community groups including the arrangements of public meetings        | Councillors to receive reports                                                                    |
| Resources          | Lack of support parish risking oversight of footpaths, roads, bridges, planning and law and order issues | L | Councillors (& Clerk) keep close touch with officials and Councillors of DC and Dorset Police                                             | Ongoing liaison to continue                                                                       |
| Emergency Planning | Health and Safety of residents and through traffic                                                       | M | Responsibility lies with Dorset Council but information will be brought to the attention of these organisations as required               | Emergency Plans maintained and communicated by DC to flood wardens and snow wardens. EP Officers  |