Fotherby Parish Council

PARISH COUNCIL RISK MANAGEMENT

Mission Statement of Fotherby Parish Council:

To provide, manage and maintain the assets of the village of Fotherby, within the resources provided by the annual precept and other incomes, considering the wishes of the residents and obtaining value for money.

Key assets and areas under FPC control

The Dock, Allotments, Burial Ground, Fotherby village public spaces, Fotherby Common

Key Risks to be managed

Public injury, damage, or loss.
Condition of village assets managed via regular inspections.
Tri-annual tree survey and woodland management plan Fotherby Common.
Adequate signage where required to manage risk
Proper financial controls
Ensuring value for money
Regular review of procedures (annually)

Fotherby Parish Council

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible
1. To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.	1. Lack of knowledge of regulations and codes.	Ensure that all Councillors have copies of relative Acts, Code of Conduct, and Standing Orders. Highlight essential parts and provide training where possible.	Chair, Clerk, RFO
	2. Absence of standing orders.	Ensure that Standing Orders are produced, understood by councillors, and reviewed at least once per year.	Chair, Clerk, RFO
	3. Actions by the Parish Council 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, RFO
	4. Lack of commitment to regulations and procedures.	Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual councillors.	Chair, Clerk, RFO All Councillors
	5. Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism.	Ensure that all councillors 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.	Clerk, RFO
	8. VAT not properly accounted for and claimed.	Ensure appropriate publications held and that Clerk has good knowledge of regulations.	Clerk, RFO

2. To identify and regularly review the Council's priorities.	1. Lack of knowledge of setting objectives, setting priorities, and identifying risks to their achievement.	All councillors to be made aware of need for objectives and identification of risk. Attend training sessions if practicable.	Clerk, RFO, All Councillors
	2. Lack of commitment by council members.	Add risk assessment to agenda at least quarterly, reviewing items, and results against those items.	Clerk, RFO
	3. No risk analysis carried out.	As at 1 above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission	Clerk, RFO
	4. No steps taken to combat identified risks	As at 2 above.	Clerk, RFO
3. To influence other council departments and Government organisations to fulfil the requirements of the Parish population.	1. Lack of effective lines of communication with other organisations.	Note all communication lines which are essential or beneficial and make information available to all councillors. Establish contacts by name and where possible face-to-face.	Clerk, RFO
	2. Lack of effective lines of communication with parishioners.	Take every opportunity to publicise role of Parish Council. Create Parish newsletter if none exists. Use Notice Boards, Articles in Fotherby Keyhole, and "flyers" information distribution.	Chair Clerk, RFO, All Councillors
		Use key issues to raise profile of PC and to test parishioners' views. Add social event to occasional meeting. Create Annual PC plan and put to parishioners for comment.	Chair, Clerk, RFO
	3. Lack of preparation on subjects requiring influence.	Ensure all councillors are aware of need for careful research and are guided as to where to obtain relevant information.	Clerk, RFO
	4. Lack of confidence by Parish Councillors.	As at 1 above. Experienced Councillors to assist newcomers to establish essential contacts.	Chair, Clerk, RFO
4. To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks.	1. Lack of knowledge of possible culpability of councillors.	Creation of standing orders and familiarisation with those where greatest risk occurs.	Clerk, RFO
	2. Lack of education of Councillors regarding culpability.	As at 1 above. Delegate responsibility to one or two councillors to assist newcomers to understand culpability. Attend any training courses available.	Chair, Clerk, RFO
	3. Inadequate insurance cover taken out –	Review risk assessment by including on agenda at least annually.	Chair, Clerk, RFO

	property, personal liability, employer's liability.	Delegate responsibility for keeping up to date with insurance requirements to an individual councillor.	
5. To keep appropriate books of account accurately and up to date throughout the financial year.	1. Lack of knowledge of accounting requirements	Ensure all councillors are familiar with current financial regulations and include them in the council's Standing Orders. Regularly review Standing Orders. Appoint separate RFO (a councillor) to ensure another line of responsibility for financial management.	Chair, Clerk, RFO, Appointed Councillor
	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 councillors and any recommendations to be acted upon promptly.	Clerk, RFO, Appointed Councillor
	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.	Clerk, RFO, Appointed Councillor
	4. Inaccuracies in recording amounts and totals in books of account. Bank reconciliations not carried out.	RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required.	Clerk, RFO, Appointed Councillor
	5. Inadequate control of cash receipts and payments.	Keep a petty cash book and record all cash receipts and payments made. Use a properly controlled petty cash account with a set maximum balance.	Clerk, RFO
	6. 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.	Clerk, RFO, Appointed Councillor
	7. Internal controls not in place or not operated.	As at 6 above.	Clerk, RFO
	8. Payments missed or delayed due to	As at 6 above.	Clerk, RFO
	9. Clerk taken ill or leaves without replacement	Appointed Councillor as separate RFO allows a further individual to be familiar with all aspects of financial matters.	Appointed Councillor
6. To ensure that payments made from council funds and the use of	1. Lack of knowledge of wishes of residents.	As at Section 3.2. Ensure residents are consulted on all major financial issues.	Clerk, RFO

assets, represent value for money, are adequately managed, and comply generally with the wishes of the residents.	2. Use of funds not giving value for money.	Effective budget planning processes. Creation of annual plan after consultation process. Creation of outline 2/3-year plan.	Chair, Clerk, RFO, All Councillors
	3. Use of funds not in accordance with the wishes of the residents.	As at 2 above. RFO to create effective financial management.	Chair, Clerk, RFO, All Councillors
	4. Charges for use of facilities inadequate.	Effective financial management by RFO. Internal audit checks.	Chair, Clerk, RFO, All Councillors
	5. Fund raising not properly controlled or not in accordance with regulations.	All councillors to be aware of need to check regulations before commencing fund-raising activities. Effective financial management by RFO.	Chair, Clerk, RFO, All Councillors
7. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.	1. Lack of knowledge of budgetary process, and of Council regulations.	Include regulations in Standing Orders issued to all councillors. Place item on agenda early in year to remind councillors of budget process and actions required. Delegate responsibility for managing initial budgetary process to RFO.	Clerk, RFO
	2. Lack of commitment to budgetary process.	As at 1 above Involve all councillors in budgetary process, not solely the clerk.	Chair, Clerk, RFO, All Councillors
	3. Inadequate consideration of requirements for annual precept.	Place item on agenda early in year to remind councillors of budget process and actions required. 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.	Chair, Clerk, RFO, All Councillors
	4. Calculation not in accordance with Council regulations.	Checks by RFO and Internal Auditor.	Chair, Clerk, RFO, All Councillors
	5. Inadequate internal controls about monitoring expenditure.	Checks by RFO and Internal Auditor. Financial and budget progress reports to all PC meetings.	Chair, Clerk, RFO, All Councillors
	6. Reserves too low.	As at 5 above.	Chair, Clerk, RFO, All

			Councillors
8. To explore all possible sources of income and ensure that expected income is fully received.	1. Lack of knowledge of possible sources of income e.g., grants. 2. Lack of commitment to pursue possible sources of income. 3. Receipts not banked or not banked promptly. 4. VAT claims not made promptly or made incorrectly.	Appoint a councillor as Grants Officer to gain experience of all grants available and application procedures. As at 1 above. Regular checks by councillor appointed as RFO. Internal audit checks. Ensure Clerk has appropriate and up-to-date VAT official publications. Regular checks by RFO. Internal audit checks.	Clerk, RFO, All Councillors Clerk, RFO, All Councillors Clerk, RFO, All Councillors Clerk, RFO, All Councillors
9.To ensure that salaries paid to employees and amounts paid to contractors are paid in line with council regulations, and are adequately monitored.	1. Inappropriate rate of pay to employees. 2. Tax and NI arrangements not in accordance with regulations. 3. Amounts paid to contractors not in accordance with contract and inadequately monitored.	Ensure employee regulations are available and understood by Clerk. Checks by RFO. Internal audit checks. As at 1 above. Internal audit checks. Checks by RFO. Appoint councillor to monitor contract work carried out.	Chair, Clerk, RFO, All Councillors Chair, Clerk, RFO, All Councillors Chair, Clerk, RFO, All Councillors, Appointed Councillor
10. To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.	1. Lack of knowledge of Council regulations and procedures. 2. Late or non- submission of annual accounts. 3. Year-end accounts not prepared, inaccurate, or not in accordance with Council requirements. 4. Inadequate audit trail from records to final accounts.	Include financial regulations in Standing Orders. Attend training seminars where available. Include a timetable in Standing Orders. RFO to monitor progress against timetable and report to PC meetings. Checks by RFO. Internal audit checks. As at 3 above.	Clerk, RFO, Appointed Councillor Clerk, RFO, Appointed Councillor Clerk, RFO, Appointed Councillor Clerk, RFO, Appointed Councillor
11. To identify, value, and maintain	1. Lack of knowledge of assets of Parish Council.	Ascertain and record all assets for which Parish council is responsible.	Clerk, RFO,

all the assets of the Parish Council, and ensure that asset and investment registers are complete, accurate and properly maintained.	2. Assets lost or misappropriated 3. Inadequate or inaccurate valuation of the council's assets. 4. Asset register not established or inadequately maintained.	Create permanent asset register. Establish who is responsible for security and maintenance of each asset. Appoint councillor responsible for regular monitoring of location and use of assets. Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks. Create asset register in accordance with Audit Commission requirements.	Appointed Councillor Clerk, RFO, Appointed Councillor Clerk, RFO, Appointed Councillor Clerk, RFO, Appointed Councillor
12. To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.	1. Lack of knowledge of applicable legislation 2. Lack of public awareness of applicable legislation. 3. Failure to comply with applicable legislation.	Clerk to have all appropriate legislation available. Review liabilities and responsibilities periodically at PC meetings. Include, as appropriate, in any public consultations. As at 1 above	Clerk, RFO, All Councillors Clerk, RFO, All Councillors Clerk, RFO, All Councillors
13. To carry out adequate safety checks on all buildings, properties, and equipment for which the council is responsible.	1. Lack of information on properties, buildings, and equipment. 2. Lack of knowledge of safety requirements. 3. Lack of commitment to carrying out safety checks.	Ensure that all current legislation and advice is held by Clerk. Include in asset register all properties for which PC responsible. Ensure that all current legislation and advice is held by Clerk. Place subject as item on PC meeting agenda at regular intervals. As at 2 above. Delegate responsibility for supervision of properties to individual councillors, reporting back to council for any action.	Clerk, RFO Clerk, RFO, All Councillors Clerk, RFO, Appointed Councillors

Reviewed and approved at the Parish Council meeting of 6 January 2025 *Chairman of the Council*

(Or earlier if legislation changes)