

## STICKFORD PARISH COUNCIL

### RISK MANAGEMENT POLICY 2025

To provide services for, and manage and maintain the assets of, the village of **STICKFORD**, within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents and obtaining value for money.

This Risk Management Policy was adopted by the council at its meeting held on 9/12/2025. Next review date : December 2026

Signed by the chairperson : .....

| 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.<br>Highlight essential parts and provide training where possible.<br>Appoint an additional RFO to ensure another line of responsibility for financial management. | Chair<br>Proper Officer (PO)<br><br>Vice<br>Chairman/Councillor |
|   | 2. Absence of standing orders  | Ensure that Standing Orders are produced, understood by councillors, and reviewed at least once per year.   | Chair<br>PO   |
|   | 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<br>All councillors<br>PO                                  |
|   | 4. Lack of commitment to regulations and procedures.   | Regular reference to appropriate regulations in agenda items.<br>Delegation of responsibilities to individual councillors.  | Chair<br>PO<br>RFO  |
|   | 5. Items purchased without proper tendering procedures, resulting in accusations of commercial favoritism. | Ensure that all councillors are aware of regulations re estimates and full tender procedures.<br>Introduce practice of estimates for all purchases over an agreed figure.   | PO<br>RFO   |

|   |   |  |   |
|---|---|--|---|
|   | <p>6. Payments made without prior approval and adequate control.</p> <p>7. Lack of control of signatories to cheques.</p> <p>8. VAT not properly accounted for, resulting in over-claims and large demands from HMRC.</p>   | <p>Ensure all payments are approved in Council meetings and recorded in minutes.<br/>Ensure all Councillors are shown all quotes &amp; invoices to be paid.<br/>Keep cash payments to a minimum, and avoid if possible.</p> <p>Keep authorised signatories to a minimum but consistent with practicalities.</p> <p>Ensure appropriate publications held and that Clerk has good knowledge of regulations. VAT to be claimed regularly.</p>   | <p>PO<br/>RFO</p> <p>PO<br/>RFO</p> <p>PO<br/>RFO</p>                                     |
| <p><b>2.</b> To identify and regularly review the Council's priorities.</p>   | <p>1. Lack of knowledge of setting objectives, setting priorities, and identifying risks to their achievement.</p> <p>2. Lack of commitment by council members</p> <p>3. No risk analysis carried out.</p> <p>4. No steps taken to combat identified risks</p>        | <p>All councillors to be made aware of need for objectives and identification of risk.<br/>Attend training sessions if practicable.</p> <p>Add risk assessment to agenda at least quarterly, reviewing particular items, and results against those items.</p> <p>As at 1 above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission</p> <p>As at 2 above.</p>   | <p>PO<br/>CHAIR</p> <p>All Councillors</p> <p>RFO</p> <p>All Councillors</p>              |
| <p><b>3.</b> To influence other council departments and Government organisations to fulfil the requirements of the Parish population.</p> | <p>1. Lack of effective lines of communication with other organisations.</p> <p>2. Lack of effective lines of communication with parishioners.</p> <p>3. Lack of preparation on subjects requiring influence.</p> <p>4. Lack of confidence by Parish Councillors.</p> | <p>Note all communication lines which are essential or beneficial and make information available to all councillors.<br/>Establish contacts by name and where possible face-to-face.</p> <p>Take every opportunity to publicise role of Parish Council. Create Parish newsletter if none exists. Use Notice Boards and "flyers".</p> <p>Use key issues to raise profile of PC and to test parishioners' views.<br/>Add social event to occasional meeting.<br/>Create Annual PC plan and put to parishioners for comment.</p> <p>Ensure all councillors are aware of need for careful research and are guided as to where to obtain relevant information.</p> <p>As at 1 above. Experienced councillors to assist newcomers to establish essential contacts. Delegate responsibility for specific contacts to individual councillors</p> | <p>PO<br/>All Councillors</p> <p>PO<br/>All Councillors</p> <p>PO<br/>All Councillors</p> |

|  |  |   |   |
|--|--|---|---|
| <p><b>4.</b> To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks.</p> | <p>1. Lack of knowledge of possible culpability of councillors.</p> <p>2. Lack of education of Councillors regarding culpability.</p> <p>3. Inadequate insurance cover taken out – property, personal liability, employer’s liability.</p>   | <p>Creation of standing orders and familiarisation with those where greatest risk occurs.</p> <p>As at 1 above. Delegate responsibility to one or two councillors to assist newcomers to understand culpability. Attend any training courses available.</p> <p>Review risk assessment by including on agenda at least quarterly. Delegate responsibility for keeping up-to-date with insurance requirements to an individual councillor. Named Councillor to review insurance.</p>  | <p>RFO</p> <p>Chairman<br/>All Councillors</p> <p>RFO</p>   |
| <p><b>5.</b> To keep appropriate books of account accurately and up-to-date through out the financial year.</p>  | <p>1. Lack of knowledge of accounting requirements</p> <p>2. Lack of commitment to accounting requirements.</p> <p>3. Bank charges unnecessarily incurred</p> <p>4. Inaccuracies in recording amounts and totals in books of account.<br/>Bank reconciliations not carried out.</p> <p>5. Inaccuracies and interest losses caused by account transfers.</p> <p>6. The most beneficial interest terms not being employed.</p> <p>7. Inadequate control of cash receipts and payments.</p> | <p>Ensure all councillors are familiar with current financial regulations and include them in the council’s Standing Orders. Regularly review Standing Orders. Appoint an additional RFO to ensure another line of responsibility for financial management.</p> <p>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.</p> <p>RFO to carry out regular inspection of books of account. Internal audit to be undertaken periodically during the current financial year.</p> <p>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.</p> <p>Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest-bearing account.</p> <p>Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts.</p> <p>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. Use separate accounting record for special events that involve cash.</p> | <p>RFO<br/>Chairman<br/>Vice<br/>Chairman/Councillor</p> <p>RFO<br/>PO</p> <p>RFO</p> <p>All Councillors</p> <p>RFO</p> <p>All Councillors</p> <p>RFO</p> |

|   |   |  |  |
|---|---|--|--|
|   | <p>8. Books of account not kept up to date/ invoices not posted promptly.</p> <p>9. Internal controls not in place or not operated.</p> <p>10. Payments missed or delayed due to</p> <p>11. Clerk taken ill or leaves without replacement</p>   | <p>Regular checks by RFO and internal auditor.<br/>Financial reports at all PC meetings.</p> <p>As at 8 above.</p> <p>As at 8 above.</p> <p>Chairman to apply for special permission from ELDC. Passwords to kept in a secure place if the case arises.</p>  | <p>RFO</p> <p>RFO</p> <p>RFO</p> <p>Chairman</p>                                       |
| <p><b>6.</b> To ensure that payments made from council funds and the use of assets, represent value for money, are adequately managed, and comply generally with the wishes of the residents.</p> | <p>1. Lack of knowledge of wishes of residents.</p> <p>2. Use of funds not giving value for money.</p> <p>3. Use of funds not in accordance with the wishes of the residents.</p> <p>4. Charges for use of facilities inadequate.</p> <p>5. Fund raising not properly controlled or not in accordance with regulations.</p> | <p>As at <b>3.2</b><br/>Ensure residents are consulted on all major financial issues.</p> <p>Effective budget planning processes.<br/>Creation of annual plan after consultation process.<br/>Creation of outline 2/3 year plan.</p> <p>As at 2 above.<br/>RFO to create effective financial management.<br/>Internal audit checks to cover consultation process.</p> <p>Effective financial management by RFO.<br/>Internal audit checks.</p> <p>All councillors to be aware of need to check regulations before commencing fund-raising activities.<br/>Effective financial management by RFO.</p> | <p>RFO<br/>PO</p> <p>All Councillors</p> <p>RFO</p> <p>RFO</p> <p>RFO<br/>Chairman</p> |
| <p><b>7.</b> 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>1. Lack of knowledge of budgetary process, and of Council regulations.</p> <p>2. Lack of commitment to budgetary process.</p> <p>3. Inadequate consideration of requirements for annual precept.</p>   | <p>Include regulations in Standing Orders issued to all councillors.<br/>Place item on agenda early in year to remind councillors of budget process and actions required.<br/>Delegate responsibility for managing initial budgetary process to a council committee or to RFO.</p> <p>As at 1 above<br/>Involve all councillors in budgetary process, not solely the clerk.</p> <p>Place item on agenda early in year to remind councillors of budget process and actions required.<br/>Delegate responsibility for managing initial budgetary process to</p>  | <p>RFO<br/>All Councillors</p> <p>All Councillors</p> <p>RFO</p>                       |

|   |   |  |  |
|---|---|--|--|
|   | <p>4. Calculation not in accordance with Council regulations.</p> <p>5. Inadequate internal controls with regard to monitoring expenditure.</p> <p>6. Reserves too low.</p>   | <p>council committee or RFO.<br/>Start consideration of need at least 4 months prior to submission date.<br/>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.<br/>Financial and budget progress reports to all PC meetings.<br/>Separate accounting record for items purchased over £100 and highlight on spreadsheet.<br/>As at 5 above.</p> | <p>All Councillors</p> <p>RFO</p> <p>RFO</p>                                   |
| <p><b>8.</b> To explore all possible sources of income, and ensure that expected income is fully received.</p>  | <p>1. Lack of knowledge of possible sources of income e.g. grants.</p> <p>2. Lack of commitment to pursue possible sources of income.</p> <p>3. Receipts not banked or not banked promptly.</p> <p>4. Debts not pursued promptly.</p> <p>5. VAT claims not made promptly or made incorrectly.</p> | <p>Appoint a councillor as Grants Officer to gain experience of all grants available and application procedures.</p> <p>As at 1.</p> <p>Regular checks by councillor appointed as RFO.<br/>Internal audit checks.</p> <p>As at 3 above.</p> <p>Ensure Clerk has appropriate and up-to-date VAT official publications.<br/>Regular checks by RFO.<br/>Internal audit checks.</p>  | <p>All Councillors</p> <p>All Councillors</p> <p>RFO</p> <p>RFO</p> <p>RFO</p> |
| <p><b>9.</b> To ensure that salaries paid to employees and amounts paid to contractors are paid in line with council regulations, and are adequately monitored.</p> | <p>1. Inappropriate rate of pay to employees.</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>Ensure employee regulations are available and understood by Clerk.<br/>Checks by RFO.<br/>Internal audit checks.</p> <p>As at 1 above.</p> <p>Internal audit checks.<br/>Checks by RFO.<br/>Appoint councillor to monitor contract work carried out.</p>  | <p>All Councillors</p> <p>RFO<br/>PO</p> <p>All Councillors</p>                |

|   |   |  |   |
|---|---|--|---|
| <p><b>10.</b> To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.</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.<br/>Attend training seminars where available.</p> <p>Include a time table in Standing Orders.<br/>RFO to monitor progress against timetable and report to PC meetings.</p> <p>Checks by RFO.<br/>Internal audit checks.</p> <p>As at 3 above.</p>   | <p>PO</p> <p>PO</p> <p>RFO<br/>Chairman<br/>Vice Chairman</p>                           |
| <p><b>11.</b> To identify, value, and maintain all the assets of the Parish Council, and ensure that asset and investment registers are complete, accurate and properly maintained.</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>Ascertain and record all assets for which Parish council is responsible.<br/>Create permanent asset register.</p> <p>Establish who is responsible for security and maintenance of each asset.<br/>Appoint councillor 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.<br/>Internal audit checks.</p> <p>Create asset register in accordance with Audit Commission requirements.</p> | <p>All Councillors</p> <p>All Councillors</p> <p>RFO<br/>All Councillors</p> <p>RFO</p> |
| <p><b>12.</b> To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.</p>   | <p>1. Lack of knowledge of applicable legislation</p> <p>2. Lack of public awareness of applicable legislation.</p> <p>3. Failure to comply with applicable legislation.</p>  | <p>Clerk to have all appropriate legislation available.<br/>Review liabilities and responsibilities periodically at PC meetings.</p> <p>Include, as appropriate, in any public consultations.</p> <p>As at 1 above</p>   | <p>PO</p> <p>PO<br/>Chairman</p> <p>PO</p>  |

|  |  |   |                 |
|--|--|---|-----------------|
|  |  |   |                 |
| <b>13.</b> 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. | Ensure that all current legislation and advice is held by Clerk.<br>Include in asset register all properties for which PC responsible.                  | All Councillors |
|  | 2. Lack of knowledge of safety requirements.                   | Ensure that all current legislation and advice is held by Clerk.<br>Place subject as item on PC meeting agenda at regular intervals.                    | All Councillors |
|  | 3. Lack of commitment to carrying out safety checks.           | As at 2 above.<br>Delegate responsibility for supervision of particular properties to individual councillors, reporting back to council for any action. | All Councillors |