

BOURNE TOWN COUNCIL RISK MANAGEMENT

Mission Statement of Bourne Town Council:

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

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible
<p>1. To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.</p>	<p>1. Lack of knowledge of regulations and codes.</p> <p>2. Absence of standing orders</p> <p>3. Actions by the TC outside its powers as set out by Parliament.</p> <p>4. Lack of commitment to regulations and procedures.</p> <p>5. Items purchased without proper tendering procedures, resulting in accusations of commercial favoritism.</p> <p>6. Payments made without prior approval and adequate control.</p> <p>7. Lack of control of signatories to cheques and electronic payments.</p> <p>8. VAT not properly accounted for, resulting in over-claims and large demands from HMRC.</p>	<p>Ensure all Councillors have access to or copies of relevant information through LALC, copies of adopted Code of Conduct, Financial Regulations and Standing Orders (copies are kept in office) and a copy of the latest edition of the Good Councillors Guide. Highlight essential parts and encourage available training to be used.</p> <p>Ensure that Standing Orders are produced, understood by councillors, and reviewed every couple of years.</p> <p>As at 1 above, but ensure that, as necessary, powers are highlighted or extracted into an effective summary.</p> <p>Councillors to ensure that they make themselves aware of regulations and responsibilities and endeavour to attend available training.</p> <p>Follow procedures as laid down in Financial Regulations and Standing Orders.</p> <p>Ensure all payments are approved in accordance with the Financial Regulations and properly recorded. Keep cash payments to a minimum, and avoid if possible.</p> <p>Keep authorised signatories to a minimum consistent with practicalities.</p> <p>Ensure appropriate publications held and that Clerk/RFO has good knowledge of regulations. Claim VAT refund on a regular basis.</p>	<p>Chair of BTC All Councillors Clerk LALC</p> <p>Chair of BTC Clerk</p> <p>Chair of BTC Clerk</p> <p>Chair of BTC All councillors Clerk</p> <p>Clerk RFO F&GP Committee</p> <p>Clerk RFO/F&GP Committee</p> <p>Clerk RFO</p> <p>Clerk RFO Chair of BTC</p>
<p>2. To identify and regularly review the Council's priorities and risks.</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>All councillors to be made aware of need for objectives and identification of risk. Attend training sessions and refresher training.</p>	<p>Chair of BTC Clerk All Councillors</p> <p>Chair of BTC</p>

	<p>3. No risk analysis carried out.</p> <p>4. No steps taken to combat identified risks</p> <p>5. An inadequate complement of councillors to manage the business of the council</p>	<p>Add risk assessment to agenda at least annually, 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; a requirement of the National Audit Office.</p> <p>As at 2. Above.</p> <p>All councillors to strive to work in a constructive manner in accordance with the Code of Conduct and to welcome and encourage new councillors. All councillors to cooperate to share the workload.</p>	<p>Clerk</p> <p>Chair of BTC All Councillors Clerk</p> <p>Chair of BTC All Councillors Clerk</p> <p>All Councillors Clerk</p>
<p>3. 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 and establish/maintain contacts by name and where possible face-to-face.</p> <p>Take every opportunity to publicise role of Parish Council by using our website, Facebook, notice boards, “flyers” and the Annual Town Meeting. Use key issues to raise profile of BTC and to test parishioner’s views. 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 on issues under discussion.</p> <p>As at 1. Above. Experienced councillors and Clerk to assist newcomers to understand roles and responsibilities. Delegate responsibility for specific contacts to individual councillors (as representatives on committees) Induction programme for new councillors</p>	<p>Chair of BTC Clerk</p> <p>Chair of BTC All Councillors Clerk</p> <p>Clerk RFO</p> <p>Chair of BTC Clerk All Councillors HR&G</p>
<p>4. To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to</p>	<p>1. Lack of knowledge of possible responsibility of councillors.</p>	<p>Creation of Standing Orders and Code of Conduct and familiarisation with those matters where greatest risk occurs.</p>	<p>Chair of BTC Clerk</p>

<p>provide adequate insurance cover for all possible risks.</p>	<p>2. Lack of education of Councillors regarding responsibility.</p> <p>3. Inadequate insurance cover taken out – property, personal liability, employer’s liability.</p> <p>4. Councillors fail to declare interests and participate in inappropriate decision making, which has a material impact upon the decisions taken and the public perception of the Council.</p>	<p>Delegate responsibility to one or two councillors to assist newcomers to understand responsibility. To attend any training courses and refresher training as available (see LALC training scheme).</p> <p>Review risk assessment by including on agenda of TC meetings at least annually. Delegate responsibility for keeping up-to-date with insurance requirements to Clerk.</p> <p>All councillors to be reminded to abide by the Code of Conduct and the register of interests and to be alert to potential breaches of both. As far as is possible, the Clerk to ensure the register of interests are complete and up to date.</p>	<p>Chair of BTC All Councillors Clerk</p> <p>Chair of BTC Clerk F&GP Committee</p> <p>All Councillors Clerk SKDC</p>
<p>5. To keep appropriate books of account accurately and up-to-date throughout the financial year. To maintain secure banking facilities.</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. Bank reconciliations not carried out.</p> <p>5. Inaccuracies and interest losses caused by account transfers.</p>	<p>Ensure all councillors are familiar with current Financial Regulations. Regularly review Standing Orders and Financial Regulations. Ensure all Councillors are aware of the lack of cover under the Financial Services Compensations Scheme.</p> <p>As at 1. above. RFO to produce financial reports for meetings of the Finance and General Purposes Committee. 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>Chair of BTC All Councillors Clerk</p> <p>All Councillors RFO Internal Auditor</p> <p>RFO Internal Auditor</p> <p>RFO Internal Auditor</p> <p>RFO F&GP Committee</p>

	<p>6. To ensure that the banking facilities of the Council are secure and offer value for money.</p> <p>7. Inadequate control of cash receipts and payments.</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.</p> <p>12. Clerk/RFO taken ill or leaves without replacement</p>	<p>Using information available in the public domain, the RFO to periodically review the Councils banking arrangements in respect of achieving both value for money and security, but noting that changing accounts may itself incur some risks.</p> <p>Avoid cash payments and receipts if possible. Where cash payments are unavoidable to record each receipt into a cash book and to issue the payee with a paper receipt. Cash payments, if unavoidable, shall be claimed as expenses by Officers and Councillors with receipts being presented as evidence.</p> <p>Regular checks by RFO and internal auditor. Financial reports at all meetings of the Finance and General Purposes Committee.</p> <p>As at 8. above.</p> <p>As at 8. above.</p> <p>The internal auditor can be called upon for advice. Deputy Clerk and Councillors to be familiar with all aspects of financial matters. Local Procedures to exist to explain processes.</p>	<p>All Councillors RFO Internal Auditor</p> <p>RFO All Councillors</p> <p>RFO Internal Auditor F&GP Committee</p> <p>RFO Internal Auditor F&GP Committee</p> <p>RFO Internal Auditor F&GP Committee</p> <p>RFO HR&G Committee</p>
<p>6. 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>As at 3.2 Ensure parishioners and other stakeholders (i.e. local organisations) are consulted on major financial issues, which impact upon them.</p> <p>Effective budget planning processes and appropriate tendering. Creation of a rolling plan for projects and maintenance expenditure.</p> <p>As at 3.2. Appointment of RFO to create effective financial management. Internal audit checks</p> <p>Effective financial management by RFO.</p>	<p>All councillors Clerk</p> <p>All councillors RFO Clerk</p> <p>All councillors Clerk</p> <p>All councillors</p>

	5. Fund raising not properly controlled or not in accordance with regulations.	Annual Review of charges. Internal audit checks. All councillors to be aware of need to check regulations before commencing fund-raising activities. Effective financial management by RFO.	Clerk RFO All councillors Clerk RFO
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 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. Encourage councillor training. Delegate responsibility for managing budgetary process to Chair and Vice-Chair of appropriate committees and RFO.	All councillors RFO Clerk
	2. Lack of commitment to budgetary process.	As at 1. above Involve all councillors in budgetary process not solely the clerk.	All councillors RFO Clerk
	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 budgetary process to Chair and Vice-Chair of Finance & General Purposes Committee and RFO. Start consideration of calculation at least 4 months prior to submission date	All councillors RFO Clerk
	4. Calculation not in accordance with Council regulations.	Checks by RFO and Internal Auditor.	RFO Internal Auditor
	5. Inadequate internal controls with regard to monitoring expenditure.	Checks by RFO and Internal Auditor. Quarterly financial and budget progress reports to Finance and General Purposes Committee meetings.	RFO Internal Auditor All councillors
	6. Reserves too low or too high.	As at 5 above.	RFO Internal Auditor All councillors
8. To explore all possible sources of income, and to ensure that	1. Lack of knowledge of possible sources of income e.g. grants.	Members and officers to bring information to council's attention. Encourage training and conference attendance	Chair of BTC Clerk

<p>expected income is fully received.</p>	<p>2. Lack of commitment to pursue possible sources of income.</p> <p>3. Maximise rental income.</p> <p>4. Receipts not banked or not banked promptly.</p> <p>5. Debts not pursued promptly.</p> <p>6. VAT claims not made promptly or made incorrectly.</p>	<p>to gain experience of all grants available and application procedures.</p> <p>As at 1.</p> <p>Charge appropriate rates for bungalow rent and Rec facilities.</p> <p>Regular checks by RFO and Council. Internal audit checks.</p> <p>As at 3. above.</p> <p>Ensure Clerk has appropriate and up-to-date VAT official publications. Regular checks by RFO. Internal audit checks.</p>	<p>All councillors Clerk</p> <p>Clerk/Chair</p> <p>RFO F&GP Committee Internal Auditor</p> <p>RFO</p> <p>RFO F&GP Committee</p>
<p>9. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations and budget and statutory legislation. Ensure payments 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. Checks by RFO. Internal audit checks</p> <p>As at 1 above.</p> <p>Internal audit checks Checks by RFO Clerk to monitor contract work carried out.</p>	<p>RFO Clerk F&GP Committee Internal Auditor</p> <p>RFO Clerk F&GP Committee Internal Auditor</p> <p>RFO Clerk Internal Auditor</p>
<p>10. 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>Include financial regulations in Standing Orders. Attend training seminars where available.</p> <p>Include a timetable in Standing Orders. Compliance with the instructions of the External Auditor.</p>	<p>Clerk RFO All councillors</p> <p>Clerk RFO All councillors</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>RFO to monitor progress against timetable and report to meetings of Finance & General Purposes Committee.</p> <p>Checks by RFO Internal audit checks</p> <p>As at 3 above.</p>	<p>Internal Auditor</p> <p>Clerk RFO Internal Auditor All councillors</p> <p>Clerk RFO Internal Auditor All councillors</p>
<p>11. 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. Maintain permanent asset register.</p> <p>Establish who is responsible for security and maintenance of each asset. Regular monitoring of location and use of assets.</p> <p>Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks.</p> <p>Create asset register in accordance with Audit Commission requirements.</p>	<p>RFO F&GP Committee</p> <p>RFO</p> <p>RFO All councillors</p> <p>RFO All councillors</p>
<p>12. 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. Review liabilities and responsibilities periodically at meetings of the Finance & General Purposes Committee.</p> <p>Include, as appropriate, in any publicity material.</p> <p>As at 1 above</p>	<p>Clerk F&GP Committee</p> <p>Clerk</p> <p>Clerk HR&G Committee</p>
<p>13. To carry out adequate safety checks on all buildings,</p>	<p>1. Lack of information on properties, buildings and equipment.</p>	<p>Ensure that all current legislation and advice is held by Clerk.</p>	<p>Clerk All councillors</p>

<p>properties, and equipment for which the council is responsible.</p>	<p>2. Lack of knowledge of safety requirements.</p> <p>3. Lack of commitment to carrying out safety checks.</p>	<p>Include in asset register all properties for which Town Council responsible.</p> <p>Ensure that all current legislation and advice is held by Clerk. Place subject as item on appropriate committee meeting agenda at regular intervals.</p> <p>As at 2. above. Delegate review for particular properties to a Working Party.</p>	<p>Clerk All councillors</p> <p>Clerk All councillors</p>
<p>14. To carry out adequate safety checks on the public open space and street furniture owned by the Council</p>	<p>1. The lack of or an inadequate programme of maintenance allows the persistence of safety hazards (e.g. trip hazards, dangerous trees, faulty gates, faulty seats etc)</p>	<p>Regular checks by Clerk, Councillors and Cemetery Operatives. Prompt attention to hazards/problems once identified. Prompt attention to issues raised by all users. Engagement of suitable contractors to conduct ongoing maintenance works (including the periodic professional checking of trees).</p>	<p>All councillors Contractors Public users</p>
<p>15. To carry out adequate safety checks on the children’s play areas operated by the Council.</p>	<p>1. An inadequate programme of safety inspections and maintenance (or vandalism) results in an accident and/or an award of damages.</p> <p>2. The lack of or an inadequate programme of maintenance of the immediate surrounding area allows the persistence of a safety hazard (e.g. trip hazard, sharp object, faulty gate).</p>	<p>Weekly safety inspections by local staff/contractors backed up by an annual inspection by an accredited playground inspector. Prompt attention to hazards/problems once identified. Ongoing maintenance. Professional specification and installation of equipment. An ongoing programme of equipment replacement as necessary.</p> <p>Regular checks by the Clerk and Councillors. Prompt attention to hazards/problems once identified. Prompt attention to issues raised by all users. Engagement of suitable contractors to conduct ongoing maintenance works.</p>	<p>Clerk Amenities Committee Contractors</p> <p>All councillors Contractors Public users</p>
<p>16. Speedy recovery following some form of disaster</p>	<p>Council’s inability to function and fulfil its legal obligations as an employer and representative of the people.</p>	<p>Due to the lack of a disaster recovery plan for the council one should be created and then reviewed regularly. This plan should cover all aspects of the council’s functions</p>	<p>F&GP Committee</p> <p>Clerk</p>

		Duplicate Backups for PCs to be made on a regular basis and alternatively one to be kept off site	
17. To ensure that adequate insurance cover is arranged	<p>1. The inadequate cover of insurance can mean that the council is not covered when a claim is made.</p> <p>2. Increased insurance premiums on renewal.</p>	<p>Insurance cover must be reviewed annually so that it is of a high enough value</p> <p>On renewal, the quote must be checked for good value and relevant cover and if required alternative quotes obtained</p>	<p>Clerk RFO Councillors</p> <p>Clerk RFO Councillors</p>
18. To ensure retention of staff	<p>1. Disruption of service</p> <p>2. Increased workload for remaining staff</p> <p>3. Reputational damage to Bourne Town Council</p>	<p>Ensure staff have knowledge of each other's roles</p> <p>Ensure recruitment takes place quickly</p> <p>Consider meeting schedules. Competitive salaries, benefits and opportunities to take annual leave.</p> <p>Foster a positive work environment to improve morale and reduce employee turnover. Create opportunities to make staff feel appreciated.</p> <p>Treat staff with respect and kindness at all times</p>	<p>Clerk and staff</p> <p>Clerk RFO Councillors</p> <p>Clerk, RFO Councillors</p> <p>Clerk, RFO Councillors</p> <p>Clerk, RFO Councillors</p>
19. To ensure retention of Councillors	<p>1. Disruption of service</p> <p>2. Increased workload for remaining Councillors.</p>	<p>Ensure Councillors have knowledge of each other's roles</p> <p>Ensure recruitment of new Councillors takes place quickly.</p>	<p>Clerk, RFO Councillors</p> <p>Clerk, RFO Councillors</p>