

Humberston Parish Council

FORMAL RISK MANAGEMENT STRATEGY

Presented at June 2015 meeting for formal adoption

The Council has discussed and considered its risk management issues and has identified them as such:-

- Control of income received
- Payments made
- Banking arrangements
- PAYE/Staff Salaries
- Special projects
- Village Hall Management
- Cemetery Management/Allotment Management
- Committees
- Governance Documents/Policies/Procedures
- Audit

Having identified its risks, the Council has resolved the following as its risk management strategy :-

Control of Income Received

- Only income involving cash is that created from allotment rents. Only once per year and supervised/controlled by Chair and one other member – collected and banked by them locally.
- All other income generated by issue of PC invoice and then paid by cheque in settlement and/or bank transfer.
- All invoicing generated by either village hall bookings/diary bookings and advertising sold as controlled by Newsletter Committee.
- All invoicing checked by individual Cllrs. and verified.
- Credit control through statements/spreadsheets from Clerk and shared with Cllrs.
- Bad debt recovery policy adopted and in place for any unrecovered income
- All income/banking/receipts shown on monthly payment schedule to ALL members at monthly meeting so that cross referencing can be made by members on other information supplied

Payments Made

- All payments authorised only at Council meetings under Council's adopted Scheme of Delegation
- Only salaries paid by Standing Order and reviewed annually by Personnel Committee
- Payments only made with valid invoice/receipt/other paperwork

Banking Arrangements

- Bank mandate reviewed regularly and operated under Council's adopted Scheme of Delegation
- No bank charges levied
- No electronic banking payment by the Council so no controls needed

PAYE/Staff Salaries

- Overseen by Personnel Committee
- Salaries/payments verified annually by Personnel Committee
- Personnel Committee has full delegated powers to deal with this whilst operating within Council's set budget for staffing
- PAYE all done through HMRC's own RTI package software
- PAYE paid by cheque to HMRC
- Salaries paid by Standing Order through Scheme of Delegation

Special Projects

- Committee or full Council to deal with special projects
- Council's financial regulations adhered to with regard to de minimus amounts etc. and all quotations and tenders as dictated by finance regulations

Village Hall Management

- Village Hall/Property Committee
- Day to day management by Caretaker who reports to both Clerk and Chairman of the Council
- Diary kept by Clerk and 95% of bookings are regular, long-term hirings
- Set rates for hirings as laid out in budget each year with no deviations except by authorisation of full Council
- Invoicing carried out each month
- Contracts of use given to all long-term hirings
- Spot hirings dealt with by booking confirmation and booking form and deposit system
- Health and Safety all dealt with by Council as a whole

Cemetery/Allotment Management

- Cemetery and Allotments Committee
- Day to day bookings taken by Clerk with set schedule of fees reviewed each year by full Council and adopted as budget item
- All bookings invoiced at time of booking and payments recorded and checked as being made by both Committee and internal audit process
- Full records kept as required by legislation
- Maintenance subject to maintenance contract subject to Council's financial regulations and governance arrangements
- Health and Safety all dealt with by Council as a whole

Committees

- All Committees appointed in May with Terms of Reference adopted
- No changes allowed except through full Council approval

- Only Personnel Committee has full delegated powers
- Newsletter Committee has certain delegated powers which are listed in the Terms of Reference adopted
- All Committees are lawfully convened and lawfully minuted

Governance Documents

- Reviewed each year at May Annual Parish Council meeting
- Council has in place the following:
 - Standing Orders
 - Financial Regulations
 - Bad Deb Recovery Policy
 - Contracts of Employment for all Staff
 - Scheme of Delegation
 - Asset Register
 - Terms of Reference for all Committees
 - Community Engagement Strategy
 - Training Strategy
 - Publication of Information Scheme
 - Risk Management Strategy
 - CoOption Formal Procedure
 - Annual Report
 - Health and Safety Policies
 - All necessary insurances

Audit

- The Council reviews its audit requirements annually
- Internal audit appointed annual
- Mid-year/half-year interim internal audit carried out as well as full year/end of year internal audit
- Compliance with external audit requirements

Conclusion

The Council feels it has a good internal control system and Council members are active in verifying all information.

All of the Council's systems are checked and reviewed each year and members actively check and alternate signing/authorising of all documentation.

Chairman and Vice-Chairman see all correspondence/paperwork both generated and received and all members see all financial/administrative/governance paperwork and have electronic copies of all documentation.