

SPETISBURY PARISH COUNCIL



The Old Priory as it was in 1915

RISK MANAGEMENT POLICY AND RISK ASSESSMENT

Reviewed, Approved & Minuted
On
13th May 2019

SPETISBURY PARISH COUNCIL

Risk Management Policy

Spetisbury Parish Council is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are maintained at an acceptable level. Any action that is felt necessary will be taken by the Spetisbury Parish Council.

The Clerk will review reported risks on a regular basis, including any newly identified risks, and will report to the Parish Council (in the event of an emergency between Parish Council meetings the Clerk will be contacted). The review will include identification of any unacceptable levels of risk.

The Local Councils Governance and Accountability Guidance makes the following observations regarding Risk Assessment:

1. Risk management is not just about financial management it is about setting objectives and achieving them in order to deliver high quality public services
2. The new approach places emphasis on local councils strengthening their own corporate governance arrangements, improving their stewardship of public funds and providing assurance to ratepayers.

It goes on to make the point that Members of the Council are ultimately responsible for Risk Management because risk threatens the achievement of policy objectives. Members should therefore:-

- a. Take steps to identify key risks facing the Council
- b. Evaluate the potential consequences to the Council if an event identified as a risk takes place
- c. Decide upon appropriate measures to avoid, reduce or control the risk or its consequences.

To identify the risks facing a council, the Guidance recommends beginning by grouping the three main types of decisions that have to be taken into the following areas:-

- i. Areas where there may be scope to use insurance to help manage risk
- ii. Areas where there may be scope to work with others to help manage risk
- iii. Areas where there may be need for self-managed risk.

SECTION 1

AREAS WHERE THERE MAY BE SCOPE TO USE INSURANCE TO HELP MANAGE RISK

1A RISK IDENTIFICATION

Protection of physical assets buildings, furniture, equipment and regalia

All buildings are insured by the Parish Council with Ageas under Policy No
CH/5312578E/NF/10091

All furniture, equipment and regalia are insured by the Village Hall Management
Committee (VHMC) with Allied Westminster

**Spetisbury Parish Council Policy for the Year 1/06/19 – 31/05/20 covers the
following:**

a. Risk of material damage to Spetisbury Village Hall & Brick Garden Store

SPC has the Village Hall insured for £945,000. Contents in The Lodge & Old
Priory Flat for £4500

b. Loss of money & non-negotiable money

SPC has insurance for loss of crossed cheques and/or money in: 1. transit in
the custody of any member or employee or in transit by registered post, 2.
from private residence of any member or employee, 3. in the custody of or
under the actual supervision of any member or employee, 4. in locked
receptacles other than safes or strongrooms. AND Personal Accident Assault
Limits.

**c. Risk of damage to third party property or individuals as a result of the
Council providing services or amenities to the public**

SPC has a Public Liability Insurance of £10,000,000, Employers Liability
Insurance of £10,000,000

d. Risk of Libel and Slander

SPC has Libel & Slander Insurance of £250,000

e. Loss of cash through theft or dishonesty (see 1b above)

f. Risk of Personal Accident

SPC has insurance for Accident & Assault for Members and Employees.

g. Risk of Legal Expenses

SPC has insurance for Employment Disputes, Legal Defence, Property & Personal injury, tax protection limit of indemnity £100,000.

h. Fidelity Guarantee

SPC has members & employees guaranteed for £100,000

1B INTERNAL CONTROLS

a. Maintain an up to date register of Assets

SPC Assets are reviewed annually by the Clerk/Responsible Financial officer & are listed in the Audit Supporting Notes that are presented to the Council with Annual Accounts each year.

THE VILLAGE HALL has not been included in the Councils assets as the property was given to the Village and is owned by the 'Village Hall Management Trust' and regulated by a lease and trust deed dated 6 May 1991 in the matter of the Charities Act 1993. The Parish Council are custodians of the Village Hall and pay for all the maintenance and running costs of the entire building.

b Regular Maintenance for physical assets

SPC undertake regular inspection of the Village Hall, Village Garden & The Mead open space. Maintenance of buildings, sites & equipment is undertaken on a responsive basis.

c. Annual Review of risk and the adequacy of insurance cover

The Clerk/RFO reviews the insurance cover annually, makes recommendations, as necessary, to the Council and updates cover as required.

d. Ensuring robustness of insurance providers

The Insurers for the Parish Council and VHMC are Ageas and Allied Westminster and the RFO is confident that the companies used are sufficiently robust.

1C INTERNAL AUDIT ASSURANCE

a. Review of internal controls in place and their documentation

Internal controls are reviewed as necessary by the Clerk and Internal Auditor. Recommendations from the Clerk and Internal Auditor are submitted to the Council.

b. Review of management arrangements regarding insurance cover

SPC reviews this at time of annual renewal.

c. Testing of specific internal controls and reporting findings to SPC

This is undertaken as part of the audit process. Reports are presented to SPC and minuted accordingly.

SECTION 2

AREAS WHERE THERE MAY BE SCOPE TO WORK WITH OTHERS TO HELP MANAGE RISK

2A RISK IDENTIFICATION

a. Security for vulnerable buildings, amenities or equipment

SPC's public building, the Village Hall, has a VHMC who ensures through its controls that the building is secure. The Bookings Clerk is the main key holder and lives approximately 200 yards away from the building. The

Clerk's office is at the Clerk's house. In the event of any breaches of security, appropriate measures are taken as soon as practicable to re-secure the property. Crime reports are obtained for all breaches of security by contacting Dorset Police.

b. Maintenance for vulnerable buildings, amenities or equipment

All premises are maintained within approved budget. In-house maintenance is undertaken where possible and contractors used as needed, quotations when applicable are received in advance of any necessary work

c. The Mead Public Land

This land was granted to the Parish Council by North Dorset District Council and is managed and maintained by The Mead Management Committee. This committee is responsible for carrying out risk assessments at least annually and reporting to the Parish Council.

d. Banking Services

All cheques require two signatures. The Clerk has sole access to Internet Banking and all invoices paid under this are reviewed by two approved signatories. SPC review all payments

e. Provision of amenities/facilities for local community groups

SPC has approved the use of its Village Hall on a charge basis.

f. Professional services, contractors etc.

SPC endeavors to ensure that wherever possible it has the opportunity to select (from several) the provider of any professional service it requires. Any professionals whose services it uses are well established and often selected on recommendation. Ideally a short list of three is drawn up.

2B INTERNAL CONTROLS

a. Standing Orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment

SPC has laid down procedures that govern the awarding of contracts (see 2A e) These were last reviewed in May 2018 and adopted in May 2018.

b. Arrangements to detect and deter fraud and/or corruption

Invoices are subjected to scrutiny by Clerk/RFO and the members, cheques are then presented by the Clerk/RFO for signature by two approved signatories. The Clerk has sole access to Internet Banking and all invoices paid under this are reviewed by two approved signatories.

c. Regular bank reconciliations, independently reviewed

Bank statements are received monthly and are seen by the Clerk/RFO. A reconciliation is presented at each SPC meeting at which time the bank balances are confirmed. A quarterly reconciliation is carried out by a non-signatory member.

2C INTERNAL AUDIT ASSURANCE

a. Review of internal controls in place and their documentation

Internal controls are reviewed as necessary by the Clerk and Internal Auditor. Recommendations from the Clerk and Internal Auditor are submitted to SPC.

b. Review of minutes to ensure legal powers are available and the basis of the powers recorded and correctly applied

The Clerk undertakes to ensure that SPC does not act 'Ultra Vires' (beyond ones legal power or authority) when a decision is taken. It is recorded if the Council decides against the Clerk's advice. Where appropriate, legal powers bestowed on the Council will be recorded in the minutes against decisions taken. The minutes of meetings are also reviewed during the audit process.

c. Review and testing of arrangements to prevent and detect fraud and corruption

The use of internal controls and consideration by SPC are all methods which contribute to prevent and deter fraud and corruption.

d. Review of adequacy of insurance cover provided by suppliers

Any contractors working for SPC are asked for proof of insurance cover.

e. Testing of specific internal controls and report findings to Council

This is undertaken as part of the audit process. Reports are presented to SPC and minuted accordingly.

SECTION 3

AREAS WHERE THERE MAY BE A NEED TO SELF-MANAGE RISK

3A RISK IDENTIFICATION

a. Keeping proper financial records in accordance with statutory regulations

Financial records kept in accordance with the statutory requirements fall with the responsibility of the Clerk/RFO and are reviewed as part of the audit process.

b. Ensuring all business activities are within legal powers applicable to Parish Councils

See section 2C Internal Audit Assurance (b)

c. Complying with restrictions on borrowing

Not applicable at present.

d. Ensuring that all requirements are met under employment law and Inland Revenue regulations

PAYE is in operation for the clerk's salary. Salary forecasts are undertaken as part of the budget setting process and incremental increases for the Clerk are set by SPC guided by NALC Salary awards.

e. Ensuring all requirements are met under Customs & Excise regulations (especially VAT)

All such requirements are met by the Clerk/RFO and the Internal Audit Process.

f. Ensuring the adequacy of the annual precept within sound budgeting Arrangements

The budget is reviewed by and approved by full Council in accordance with the Council's annual budget procedure.

g. Ensuring the proper use of funds granted to local community bodies Under specific powers or Section 137

Grant applications are considered by the SPC. Section 137 grants are listed separately in the annual accounts.

h. Proper, timely and accurate reporting of the Council business in the minutes

Council minutes are prepared by the Clerk. They are distributed to members in advance of the subsequent meeting, verified as a correct record as one of the first items of business of that meeting and signed at the meeting. Failure to do so is recorded.

i. Responding to electors wishing to exercise their rights of inspection

The rights of inspection to electors is adhered to in accordance with current legislation. In accordance with the Freedom of Information Act, all relevant documents are available on demand by post and in addition, meeting schedules and a summary of the minutes, once approved, are published in the monthly Parish News.

j. Meeting the laid down timetables when responding to consultation invitations

Every effort is made to meet specified timetables when responding to consultation invitations.

k. Proper document control

Paperwork is retained in accordance with national guidelines and General Data Protection Regulations and relevant documents are available for viewing on request. All incoming mail is dated.

- l. Register of members' interests and gifts and hospitality is in place, complete, accurate and up-to-date**

The members' register of Disclosable Pecuniary Interests is held by the Clerk and a copy is published at www.spetisbury.org.uk. To the best of the Clerk's knowledge these are accurate and up-to-date. It is the responsibility of Members to notify the Clerk of changes.

- m. The Clerk grants the members of the Council dispensations to participate in a meeting when setting the Precept.**

3B INTERNAL CONTROLS

- a. Regular scrutiny of financial records and proper arrangements for the approval of expenditure**

Comprehensive measures are in place for the internal and external approval of expenditure

- b. Recording in the minutes the precise powers under which expenditure is being approved**

See Section 2C Internal Audit Assurance (b)

- c. Regular returns of VAT**

The Clerk is responsible for completion and submission of VAT returns annually.

- d. Minutes properly numbered with a master copy kept in safekeeping**

All SPC minutes are correctly numbered. These are loose leaf and are signed by the Chairman, these are kept in a Minute File in a locked metal filing cabinet at the Village Hall. Unsigned electronic copies are also held on the Council's computer and on the village website.

- e. Documented procedures to deal with enquiries from the public**

Calls, letters and e-mails are dealt with as soon as practicable.

- f. Documented procedure to deal with responses to consultation requests**

Consultation requests are referred to the members. They may be further delegated to a working group. The course of action is minuted. Copies of correspondence are available to all members on request.

g. Documented procedures for document receipt, circulation, response, handling and filing

The Clerk receives and delegates all mail. All relevant mail is listed and the list published to Members. The mail is dealt with accordingly and filed when actions are complete.

All documentation is controlled in accordance with the General Data Protection Regulations (GDPR).

h. Procedures in place for recording and monitoring members' interest and gifts and hospitality received

See Section 3A Risk Identification (L)

i. Adoption of Codes of Conduct for members and employees

SPC adopted the Code of Members Conduct on 3rd June 2019.

Employees Code of Conduct is in accordance with their individual contracts of employment. At present there is no other statutory code for employees.

3C INTERNAL AUDIT ASSURANCE

a. Review of internal controls in place and their documentation

Internal controls are reviewed as necessary by the Clerk and Internal Auditor. Recommendations from the Clerk and Internal Auditor are submitted to SPC.

b. Review of minutes to ensure legal powers in place, recorded and correctly applied

See Section 2C Internal Audit Assurance (b)

c. Testing of income and expenditure procedure

The testing of these procedures is carried out as part of the audit process.

d. Review and testing of arrangements to prevent and detect fraud and corruption

See Section 2C Internal Audit Assurance (c)

e. Testing of specific internal controls and report findings to Council

Where appropriate, the results of such testing as part of the audit controls will

be reported to the PC.

f. Computer data safety

All necessary procedures and documents are computerised and all relevant areas of Clerk's computers are backed up monthly on one of two USB storage drives.

From 1st April 2006 the PC no longer use a ledger for Receipts and Payments recording, Computer spreadsheets are used and are backed up monthly on one of two USB storage drives. One drive is held by the Clerk and the other is in a locked fireproof safe within the filing cabinet at the Village Hall.

The USB drives are used in alternate months so that there is never more than one month's work not backed up.

All computer records are kept and maintained in accordance with the General Data Protection Regulations (GDPR).