



THE IVERS

PARISH COUNCIL

RISK ASSESSMENT AND RISK MANAGEMENT POLICY

Adopted 26th September 2018 (PF&GP item 53).

THE IVERS PARISH COUNCIL

RISK MANAGEMENT POLICY

The Ivers 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 Ivers Parish Council.

The Clerk will review risks on a regular basis, including any newly identified risks, and will report to the Policy, Finance & General Purposes Committee (PF&GP Committee). The review will include identification of any unacceptable levels of risk.

The Local Councils' Governance and Accountability Guidance makes the following observations regarding risk management.

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 taxpayers.

It goes on to make the point that Members are ultimately responsible for risk management because risks threaten 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
- (ii) 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 IDENTIFICATIONS

a Protection of physical assets e.g. buildings, furniture, equipment and regalia

All physical assets are insured through Came & Co. with Axa Insurance under Policy: RGBDX6962034

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

TIPC has a Public Liability Insurance of £10,000,000. It also has personal accident liability cover for employees, members and volunteers under the above policy.

c Risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss)

Included in insurance policy cover

d Loss of cash through theft or dishonesty (fidelity guarantee)

The Council has Fidelity Guarantee cover up to £500,000 for both all members and employees. Large unexpected withdrawals invite a telephone check from the bank.

e Legal liability as a consequence of asset ownership (public liability)

See (b) above

1B INTERNAL CONTROLS

a Maintain an up-to-date register of Assets and investments

An Asset Register is compiled annually by the Responsible Financial Officer and presented to Council with Annual Accounts each year. This is usually through the Policy, Finance and General Purposes Committee in the January cycle.

b Regular maintenance for physical assets

Gutters, locks, bus shelters, noticeboards and seats are checked annually by the parish council maintenance team. Maintenance of buildings, sites and

equipment is undertaken on a proactive basis by parish council maintenance team, in addition to budgeted Capital Projects for major refurbishment. Playground equipment is checked independently by parish council staff weekly and an independent contractor performs an annual check.

c Annual Review of risk and the adequacy of insurance cover

The Responsible Financial Officer reviews the insurance cover annually, makes recommendations to the Policy, Finance and General Purposes (PF&GP) Committee and updates cover as required. Every 5 years an independent valuation is commissioned for all buildings to ensure adequate insurance cover.

d Ensuring robustness of insurance providers

Insurance Provision was reviewed in May 2017. The Policy, Finance and General Purposes Committee reviewed three quotes on the 10th May 2017 (item.7.c.). As a result of that decision, the insurance provider was changed from Hiscox to AXA, and effected through Came and Company Local Council Insurance, a specialist provider in this field.

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 Council through its PF&GP Committee.

b Review of management arrangements regarding insurance cover

This forms part of the PF&GP Committee review at time of annual renewal.

c Testing of specific internal controls and reporting findings to management

This is undertaken as part of the audit process. Reports are presented to Policy, Finance & General Purposes Committee and/or full Council and minuted accordingly. There is also an internal audit review panel set up each year at the annual meeting and this panel meets with the internal auditor and tests the internal audit programme.

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

The Iver Heath Sports pavilion is alarmed. The pavilion is visible by many residential properties. All pavilions and changing rooms are shuttered to prevent intrusion. CCTV cameras are in operation.

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 Thames Valley Police.

The Jubilee Pavilion is alarmed and can easily be heard by residents in adjacent to residential properties. The pavilion is shuttered to prevent intrusion and CCTV cameras are in operation and linked to the internet so can be viewed by specified persons from home computers and laptops. The pavilion has 16 light sensitive exterior lights so is well lit at night to deter intruders together with the CCTV cameras.

b Maintenance for vulnerable buildings, amenities or equipment

All premises are maintained within approved budget unless the Contingency Budget has to be used for emergency measures. Contractors used as needed, with quotations received in advance of all works including conservation work on open spaces. All alarms, emergency lighting, fire extinguishers have checks as frequently as recommended by Health and Safety guidelines.

c Banking Services

Reviewed annually by PF&GP Committee. Two members to sign all cheques and all payment listings prior to payment being made. In the light of the repeal of S150 (5) of the Loc. Govt. Act, BACS transfers are now permitted. The Financial Regulations were updated by PF&GP on 25/07/18 (item 33.c.). The Full Council reviews all payments.

d Ad-hoc provision of amenities/facilities for events for local community groups

The council has approved the use of its sites for specific events, both on a charge and, occasionally, on a free-of-charge basis. Users are advised to ensure their own public liability insurance cover

e Professional services, contractors etc.

The Council endeavours to ensure that wherever possible it has the opportunity to select (from several) the provider of any professional service it requires, including SBDC's list of approved contractors. Any professionals whose services it uses are well established and often selected on recommendation. Ideally a short-list of three is drawn up.

Any public event which is initiated by the council is governed by the same requirements in terms of tendering processes.

2B INTERNAL CONTROLS

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

The Council has Standing Orders that govern the awarding of contracts. These were last reviewed and amended in June, 2013 and previously in February 2011 (and amended September 2006 and twice in 2007, in April 2011) and the revisions adopted at that time. The most recent review was carried out in June 2016 and adopted at that time. The Council has Financial Regulations that govern all financial issues. These were last reviewed and amended in June 2016 and adopted at that time.

b Regular reporting on performance by contractors/suppliers/ground maintenance team

A street lighting maintenance report is given to each Highways & Partnerships Committee (H & P). The grounds maintenance supervisor meets with the clerk weekly to report and receive instructions. Annual appraisals are carried out on all staff by the Clerk. The contractors for the Council (street lighting) report regularly to the Clerk.

c Review of contracts

Contracts are reviewed by staff and subsequently by the Council in line with the Financial Regulations.

d Clear statements of management responsibility for each service

Under Standing Orders the PF&GP, Highways & Infrastructure and Amenities Committees have delegated management responsibility for their own budgets.

e Regular scrutiny of performance against targets

See (b) and (d)

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

Invoices are subjected to scrutiny by both the RFO and the cheque signatories, who are councillors.

g Regular bank reconciliations, independently reviewed

Bank statements are received by the Council at its meetings and are seen by the Clerk (RFO). A reconciliation is presented at each full Council or PF&GP meeting at which time the bank balances are confirmed

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 Council through its PF&GP Committee.

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 the council does not act 'Ultra Vires' 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 Standing Orders, Financial Regulations, internal controls and consideration by Council 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 TIPC are asked for proof of insurance cover. All contractors are also asked for copies of safe working practices and any other specific/requisite working methodology dependent on task.

e **Testing of specific internal controls and report findings to management**

This is undertaken as part of the audit process. Reports are presented to the Finance & General Purposes Committee 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 requirements**

Financial records kept in accordance with the statutory requirements fall within the responsibility of the Finance & General Purposes Committee and are reviewed as part of the Audit process

b Ensuring all business activities are within legal powers applicable to parish councils

See Section 2 Internal Audit Assurance (b)

c Complying with restrictions on borrowing

The Council has a borrowing arrangement with the Public Works Loan Board

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

Inland Revenue calculations are made by the Assistant Clerk/Finance Officer and subject to the Audit process. Also checked by the Council Chairman and one other councillor as delegated by the PF&GP committee on a random basis. Salary forecasts are undertaken as part of the budget setting process and any incremental increases are approved by the Finance & General Purposes Committee. All council HR advice and procedure compliance is via an independent outsourced company.

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

All such requirements are met by the Responsible Financial Officer and the Internal Audit process

f Ensuring the adequacy of the annual precept within sound budgeting arrangements

Committee budgets are reviewed by Finance & General Purposes Committee and approved by full Council in accordance with the Council's budget setting procedure

g Monitoring of performance against agreed standards under partnership agreements

See Section 2 Internal Controls (b) and (d).

h Ensuring the proper use of funds granted to local community bodies under specific powers or Section 137

Grant applications are considered by the Finance & General Purposes Committee. Section 137 grants are listed separately in the annual accounts.

i 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 the first business of that meeting and signed at the meeting. Failure to do so is recorded. Actions and resolutions from committee minutes are reported at the next council meeting. Committee minutes are presented as a correct record at the next full council meeting.

j Responding to electors wishing to exercise their rights of inspection

The rights of inspection by electors is adhered to in accordance with current legislation. In accordance with the Freedom of Information Act, all relevant documents are available on demand (during office hours) or by post and in addition, meeting schedules and minutes are available on the council's website. These are reviewed periodically.

k Meeting the laid down timetables when responding to consultation invitations

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

l Proper document control

Paperwork is retained in accordance with national guidelines and is available for viewing during office hours. All incoming mail is date stamped.

m Register of members' interests and gifts and hospitality in place, complete, accurate and up to date

The members' register of interests is published by SBDC and a copy is held by the Clerk. 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.

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. These are according to agreed Standing Orders and Financial Regulations, reviewed annually by Policy, Finance and General Purposes.

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

See Section 2 Internal Audit Assurance (b)

c Regular returns to the Inland Revenue; contracts of employment for all staff, annually reviewed by the Council, systems of updating records for any changes in relevant legislation

Inland Revenue returns are duly completed by the Clerk on an annual basis. Salaries are calculated by the Clerk and checked by the chairman of PF&GP and during internal audit. Staffing issues are referred to PF&GP.

d Regular returns of VAT

The Clerk as RFO is responsible for VAT returns and these are reviewed by PF&GP. The PF&GP Committee checks that the RFO receives adequate training in all financial matters that relate to council business

e Developing system of performance measurement

Staff appraisals – the Chairman undertakes an annual appraisal of the Clerk and the Clerk undertakes an annual appraisal for all other staff. This is reported to PF&GP.

f Procedures for dealing with and monitoring grants, or loans, made or received

See Table 3. Risk Identification (h). The loan from the PWLB adheres to the guidance laid down by BMKALC.

g Minutes properly numbered and paginated with a master copy kept in safekeeping

All Council and Committee minutes are numbered by item. These are stored electronically on a fully backed up system. Hard copies are retained in the Council Offices for reference

h Documented procedures to deal with enquiries from the public

Calls and letters are dealt with as soon as practicable unless referred to council or committee. In such cases, acknowledgement of enquiry is made

i Documented procedures to deal with responses to consultation requests

Consultation requests are referred to committee. They may be further delegated to a working group. The course of action taken is minuted. Copies of responses are reported to the next available meeting.

j Monitoring arrangements regarding Quality Council status

The Clerk and Assistant Clerk will be appropriately qualified, usually via the CiLCA qualification.

k Documented procedures for document receipt, circulation, response, handling and filing

The Clerk receives and delegates all mail. All relevant mail is listed with council or a committee for consideration or for information. Mail for action by administration staff is dealt with accordingly and filed when actions are completed.

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

See Section 3. Risk Identification (n)

m Adoption of Codes of Conduct for members and employees

The Council adopted the National Code of Conduct for Town & Parish Councils as recommended *by South Bucks District Council in September 2012*. Members sign up to this immediately after election or co-option. A Social Media policy was adopted on 26th September 2018 (PF&GP item 54.). Employees Code of Conduct is according to the procedures as documented within the Staff Handbook, and 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 Council through its PF&GP Committee.

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

See Section 2 Internal Audit Assurance (b)

c Testing of income and expenditure from minutes to relevant accounts package, from bank statements to accounts package, from minutes to statements etc.

The testing of these procedures forms part of the internal controls currently in place. The system is also tested during the audit process.

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

See Table 3. Internal Audit Assurances (c)

e Testing of specific internal controls and reporting findings to management

Where appropriate, the results of such testing as part of the internal controls will be reported to the appropriate committee or council. Similar reporting to Council will be made as part of the internal audit.

f Computer data safety

All necessary procedures and documents are computerised and all relevant areas of office computers are backed up daily on to a hard drive. All Council computer monitoring/back up is currently carried out by an outside contractor.

g Valuable documents

All valuable documents, deeds etc., are stored in a fireproof safe in the parish council offices.