

HOLMES CHAPEL PARISH COUNCIL RISK ASSESSMENT

Table 1 Area where there may be scope to use insurance to help manage risk	
<p>Risk Identification Insurance cover for risk is the most common approach to certain types of inherent risks: The protection of physical assets owned by the council – buildings, furniture, equipment, etc. (loss or damage)</p> <p>The risk of damage to third party property or individuals as a consequence of the council providing services or amenities to the public (public liability)</p> <p>The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (fidelity guarantee)</p> <p>Legal liability as a consequence of asset ownership (public liability)</p>	<p>Council's response Comprehensive insurance is in place with Hiscox. These items are covered.</p> <p>Public liability insurance cover for £10,000,000</p> <p>Fidelity cover for £400K Reviewed at appropriate times in the year..</p> <p>Legal advice to confirm liability</p>
<p>Internal controls A council's internal controls may include: An up to date register of assets and investments</p> <p>Regular maintenance arrangements for physical assets</p> <p>Annual review of risk and adequacy of cover</p> <p>Ensuring the robustness of insurance providers</p>	<p>Council's response Yes, reviewed annually</p> <p>Playing field equipment Street lighting Office equipment Street Furniture</p> <p>Yes</p> <p>Use insurance brokers recommended by organisations NALC/ChALC</p>
<p>Internal audit assurance Internal audit testing may include: Review of internal controls in place and their documentation Review of management arrangements regarding insurance cover Testing of specific internal controls and reporting findings to management</p>	<p>Council's response This is covered by general management arrangements with a financial calendar with reports to Finance Committees.</p> <p>Also compliance with Standing Orders</p>
Table 2 Areas where there may be scope to work with others to help manage risk	
<p>Risk Identification The limited nature of internal resources in most local councils means that councils wishing to provide services often buy them in from specialist external bodies, e.g.</p>	<p>Council's response Cheshire East Council (CEC) provide services for play areas and have provided professional services for some projects e.g. Dane Valley Improvements.</p>

<p>Maintenance for vulnerable buildings, amenities or equipment</p> <p>The provision of services being carried out under agency/partnership agreements with principal authorities</p> <p>Banking arrangements, including borrowing or lending</p> <p>Ad hoc provision of amenities/facilities for events to local community groups</p> <p>Markets management</p> <p>Vehicle or equipment lease or hire</p> <p>Trading units (leisure centres, playing fields, burial grounds, etc.)</p> <p>Professional services (planning, architects, accountancy, design etc.)</p>	<p>Holmes Chapel Partnership, Village Volunteers have their own public liability insurance</p> <p>Present banking arrangements with Unity Bank and the Co-op are regularly reviewed.</p> <p>Only relevant issue is playing fields where management provided by CEC.</p> <p>Service provided by CEC.</p>
<p>Internal controls</p> <p>A council's internal controls may include:</p> <p>Standing orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment</p> <p>Regular reporting on performance by suppliers, providers, contractors</p> <p>Annual review of contracts</p> <p>Clear statements of management responsibility for each service</p> <p>Regular scrutiny of performance against targets</p> <p>Adoption of and adherence to codes of practice for procurement and investment</p> <p>Arrangements to detect and deter fraud and/or corruption</p> <p>Regular bank reconciliations, independently reviewed</p>	<p>Council's response</p> <p>In place</p> <p>HCPC activities are not on such a regular basis to require such controls. Individual projects have controls in place</p> <p>Part of Financial Calendar at Finance Committee</p>
<p>Internal audit assurance</p> <p>Internal audit testing may include:</p> <p>Review of internal controls in place and their documentation</p> <p>Review of minutes to ensure legal powers are available, and the basis of the powers recorded and correctly applied</p> <p>Review and testing of arrangements to prevent and detect fraud and corruption</p> <p>Review of adequacy of insurance cover provided by suppliers</p> <p>Testing of specific internal controls and reporting findings to management</p>	<p>Council's response</p> <p>A comprehensive internal audit is provided by JDH. Review of this taken by Finance committee.</p> <p>This is done on an individual basis because of small number of projects undertaken.</p>

Table 3

Areas where there may be a need to self-manage

<p>Risk identification</p> <p>There are a number of activities that create business risks but do not fall easily into either of the above categories for a number of reasons, principally because they are either difficult to quantify or considered inefficient to have provided externally or just uninsurable.</p>	<p>Council's response</p> <p>Council has a management plan in place</p>
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<p>Keeping proper financial records in accordance with statutory requirements` Ensuring all business activities are within legal powers applicable to local councils Complying with restrictions on borrowing</p> <p>Ensuring that all requirements are met under employment law and Inland Revenue regulations Ensuring all requirements are met under Customs and Excise regulations (especially VAT) Ensuring the adequacy of the annual precept within sound budgeting arrangements Monitoring of performance against agreed standards under partnership agreements Ensuring the proper use of funds granted to local community bodies under specific powers or under section 137 Proper, timely and accurate reporting of council business in the minutes Responding to electors wishing to exercise their rights of inspection Meeting the laid down timetables when responding to consultation invitation Meeting the requirements for Quality parish status or other accreditation Proper document control</p> <p>Register of members' interests and gifts and hospitality in place, complete, accurate and up to date</p>	<p>Done and checked on internal audit</p> <p>Covered by internal and external audit.</p> <p>Professional advice taken where necessary</p> <p>Payroll calculations check done by Clerk and internal audit. External payroll provider used. VAT checks done regularly as part of Finance Calendar. Part of the budgeting is checked on internal audit N/A Donation/Grant policy is in place. Internal audit check this item.</p> <p>Done</p> <p>Done</p> <p>Clerk responsible for compliance and council calendar.</p> <p>Monitored by Strategy Committee</p> <p>In place and revised annually</p>
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Table 4
Areas where there may be a need to self-manage risk

<p>Internal controls A council's internal controls may include: Regular scrutiny of financial records and proper arrangements for the approval of expenditure Recording in the minutes the precise powers under which expenditure is being approved 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 Regular returns of VAT; training the responsible officer in matters of VAT and other taxation issues as necessary Regular budget monitoring statements</p> <p>Developing systems of performance measurement Procedures for dealing with and monitoring grants or loans made or received Minutes properly numbered and paginated with master copy kept in safekeeping Documented procedures to deal with enquiries from the public Documented procedures to deal with responses to consultation requests</p>	<p>Council's response These items are covered by regular calendar of meetings, financial calendar, management system, attendance on courses so members of staff and councillors keep up to date.</p> <p>Done</p> <p>Complaints policy in place with regular management procedures.</p>
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<p>Monitoring arrangements by the council regarding Quality Council status</p> <p>Documented procedures for document receipt, circulation, response, handling and filing</p> <p>Procedures in place for recording and monitoring members' interests and gifts and hospitality received</p> <p>Adoption of codes of conduct for members and employees</p>	<p>Part of Code of Conduct</p>
<p>Internal audit assurance</p> <p>Internal audit testing may include:</p> <p>Review of internal controls in place and their documentation</p> <p>Review of minutes to ensure legal powers in place, recorded and correctly applied.</p> <p>Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements etc. including petty cash transactions</p> <p>Review and testing of arrangements to prevent and detect fraud and corruption</p> <p>Testing of disclosures</p> <p>Testing of specific internal controls and reporting findings to management</p>	<p>Council's response</p> <p>These are part of the management process, covered by the Financial Calendar and the Internal Audit process.</p> <p>Finance Member</p> <p>Committees and Council carry out monitoring procedures</p> <p>Members are encouraged to carry out checks.</p>
<p>Business continuity and disaster recovery</p> <p>How and where data is stored</p> <p>Provision Council has made should the data be compromised.</p> <p>Where does the Council keep key passwords and access information such as HMRC log on. If the office was no longer available where would the Council operate from?</p> <p>How would any costs of recovery be paid?</p>	<p>Council's response</p> <p>Paper records are stored in the Council office. Electronic data is stored on the main computers in the office and on the Clerk's lap top.</p> <p>A back up is made on a weekly basis and this is stored in a fireproof safe held at the office. This supplements the information on the Clerk's lap top.</p> <p>Information is also copied to members, and available on the Council's web site to assist any process to reconstitute records.</p> <p>In the event of paper records being destroyed there is sufficient information stored as above in order to reconstruct files.</p> <p>This is held in a fireproof safe at the office.</p> <p>As a temporary measure, staff would be able to operate from their homes, pending damage repair or sourcing alternative premises. There are various venues available in the village to hire rooms for meetings. The Holmes Chapel Community Centre or Library would be approached to provide an information point and surgery on a temporary / periodic basis.</p> <p>The Councils' insurance cover includes an item for Increased cost of Working - Limit of Indemnity £10,000. Any additional costs would be capable of being used from deposits / reserves.</p>
<p>Table 5 Partnership</p>	

<p>Ensure that proper safeguards exist when the Council works in partnership with another body.</p>	<p>If the Council is working in Partnership with another body the Council should take a critical look at the situation with particular emphasis on:</p> <ol style="list-style-type: none"> 1. If the body is not a statutory body check if a constitution is in place and appropriate officers are in place. 2. Review the financial position of the body. 3. Where appropriate check for public liability insurance. 4. Keep records of the relationship of the parties by a written agreement where appropriate or the use of regular notes and minutes <p>HCP or any individual or organisation receiving money from the Council to assist with a grant application, or to finance a project, or receiving grant money in respect of a project, should carry both indemnity and public liability insurance and the risk strategy / assessment should be amended accordingly.</p>
<p>Holmes Chapel Community Centre Ensure adequate review is undertaken on the management of the community centre Review PC responsibilities as landlord for building and grounds</p> <p>Review PWL and means of repayment</p>	<p>PC sits on the JLMC to monitor financial performance of the centre Reviewed regularly by S&P committee. As the PC owns the site the value will increase and therefore cover its costs should the tenant go into administration.</p> <p>Reviewed by Finance committee</p>

Approved by Council on 11 August 2016



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 Chairman of Holmes Chapel Parish Council



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 Clerk of Holmes Chapel Parish Council