

RUSCOMBE PARISH COUNCIL (RPC)

RISK MANAGEMENT POLICY

6th April 2022

Ruscombe Parish Council is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are maintained at an acceptable level. To achieve this Ruscombe Parish Council will take any action that is felt necessary.

The Clerk shall review risks on a regular basis, including any newly identified risks, and shall report at the monthly council meetings. The review shall 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 I

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 with Suffolk Rural Community Council (Suffolk Acre Insurance Services) and underwritten by Zurich Municipal Insurance under Policy YLL122004 195300

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

RPC has Public Liability Insurance of £6,000,000 under policy YLL 122004 195300.

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 YLL122004 195300

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

The Council has Fidelity Guarantee cover up to £15,000 for all council members under insurance policy YLL 122004 195300

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 shall be compiled annually by the Clerk and presented to Council with Annual Accounts each year.

Ruscombe Parish council has are an account with Nationwide Building Society and two investment accounts with National Savings

b Regular maintenance for physical assets

The Clerk shall inspect the few assets that RPC has and shall be submitted to council on a needs to basis. A list of assets is maintained.

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

The clerk shall review the insurance cover annually and report to the council prior to renewal, cover shall be renewed as agreed by council.

Ensuring robustness of insurance providers.

There are three main insurers for local councils - Zurich Municipal, Aviva (formerly Norwich Union) and AON (formerly Comhill Insurance). RPC uses Suffolk Rural Community Council (Suffolk Acre) underwritten by Zurich Municipal and is confident that this Insurance cover is sufficiently robust.

IC *INTERNALAUDITASSURANCE*

a Review of internal controls in place and their documentation.

Internal controls shall be reviewed by the Clerk and Internal Auditor. A change to Recommendations shall be submitted to the Council.

b Review of management arrangements regarding insurance cover.

As above

c Testing of specific internal controls

This is undertaken as part of the audit process. The clerk shall report to the council for resolution.

SECTION2

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

Ruscombe Parish Council owns no buildings, major amenities or equipment.

b Maintenance for vulnerable buildings, amenities or equipment.

See (a) above.

c The provision of services being carried out under agency/partnership agreements with principal authority.

Wokingham Borough Council (WBC) is a Best Value principal authority.

d Banking Services.

Two councillors shall sign all cheques. Supporting documentation (invoice or expense claim) shall be attached when signatures are required.

e Provision of amenities/facilities for events for local community groups.

Ruscombe Parish Council does not provide these services.

f Professional services, contractors etc.

The Council shall endeavour to ensure it has the opportunity to select (from at least 2 for expenditure greater than £100) the provider of any professional service it requires, including WBC's list of approved contractors. Any professionals whose services it uses shall be established and often selected on recommendation. Wherever possible a short-list of three shall be drawn up.

28 *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 were last fully reviewed in February 2010 and adopted on 2nd March 2010.

b Regular reporting on performance by contractors/suppliers.

There are no major contracts awarded by the council. The progress of small contracts shall be reviewed by the council.

c Review of contracts.

See (b) above

d Clear statements of management responsibility for each service.

This is not appropriate in RPC as we have no committees or sub-committees.

e Regular scrutiny of performance against targets.

See (b) and (d).

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

Invoices or expense claim(s) are attached to the cheque request and shall be signed by any two signatories from a list of three all of whom are councillors. The clerk is also a signatory.

g Regular bank reconciliations, independently reviewed.

A Gross Treasurers Trust account is held at the Nationwide Building Society for which a bankbook is issued. Therefore there are no bank statements received or required. Reconciliation shall be presented at each monthly council meeting at which time the bank balances shall be confirmed and approved by the council

2C *INTERNAL AUDIT ASSURANCE*

a Review of internal controls in place and their documentation.

Internal controls shall be reviewed annually by the Clerk and Internal Auditor. Recommendations from the Clerk and Internal Auditor shall be submitted to Council.

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

The Clerk shall undertake to ensure that the council does not act beyond its powers when a decision is taken. It shall be recorded if the council decides against the Clerk's advice. Where appropriate, legal powers bestowed on the council shall be recorded in the minutes against decisions taken. The minutes shall also be reviewed during the audit process.

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

The use of Standing Orders, internal controls and consideration by Council are all methods that contribute to prevent and deter fraud and corruption.

d Review of adequacy of insurance cover provided by suppliers.

Any contractors working for RPC shall be asked for proof of insurance cover.

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

This shall be undertaken as part of the audit process.

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 Clerk and the full council and shall be reviewed as part of the Audit process.

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

See Section 2(C) Internal Audit Assurance (b)

c. Complying with restrictions on borrowing.

The Council has no current borrowing arrangements.

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

Salary forecasts (the clerk) shall be undertaken as part of the annual budget setting process and any increase shall be approved by the full council. There are no tax implications

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

All such requirements shall be met by the Clerk and the internal audit process.

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

The setting of the annual budget shall be undertaken by the full council.

g. Monitoring of performance against agreed standards and partnership agreements.

See Section 2(8) 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 shall be considered by the full council as part of the budgeting process. All grants made are minuted.

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

Council minutes shall be 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. Any amendments required are identified, agreed and shall be signed by the meeting chairman

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

The rights of inspection by electors, shall be adhered to in accordance with current legislation. In accordance with the Freedom of Information Act, all relevant documents shall be available on demand (by appointment) and in addition meeting schedules and minutes shall be made available in the local library, whilst the meeting agenda shall be displayed on all parish notice boards

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

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

Proper document control.

The clerk shall retain documents in accordance with national guidelines which shall be available for viewing by appointment.

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

The Clerk shall hold the members' register of interests and WBC holds a copy. It is the responsibility of members to notify the Clerk of changes.

*Clerk
used here*

3B *INTERNAL CONTROLS*

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

Ruscombe Parish Council shall hold regular monthly council meetings. For each meeting the clerk shall produce an up to date spreadsheet of all council receipts and expenditure. All transactions shall be discussed and agreed and be recorded in the meeting minutes.

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

See Section 2(8) 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.

The clerk is the only staff employed by Ruscombe Parish Council. The clerk's salary and contract shall be reviewed annually.

d Regular returns of VAT.

The Clerk shall be responsible for VAT returns and these shall be reviewed as part of the annual audit process.

e Developing system of performance measurement.

The council shall review its performance annually when setting the precept for the forthcoming year.

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

See Table 3. Risk Identification (h). RPC have no loans outstanding.

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

All Council minutes shall be correctly numbered and page numbered. A paper copy shall be retained and held on file for 10 years. All minutes in excess of 10 years shall be held by the Berkshire Record Office.

h Documented procedures to deal with enquiries from the public.

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

Documented procedures to deal with responses to consultation requests.

Consultation requests shall be discussed by council and maybe further delegated. A course of action shall be agreed and minuted. A copy of all responses shall be available to all members on request from the clerk.

j Monitoring arrangements regarding Quality Council status.

Currently not applicable.

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

The Clerk receives all mail. All correspondence received shall be listed with council for consideration or for information. Mail for action by the Clerk shall be dealt with accordingly and filed when actions are completed.

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

See Section 3. Risk Identification (m).

m Adoption of Codes of Conduct for members and employees.

The National Code of Conduct for Town and Parish Councils issued in May 2007 was adopted in October 2007 by RPC and all councillors signed up to this.

3C *INTERNAL AUDIT ASSURANCE*

a Review of internal controls in place and their documentation.

Internal controls shall be reviewed by the Clerk and Internal Auditor. Recommendations from the Clerk and Internal Auditor shall be submitted to Council.

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

See Section 2(C) Internal Audit Assurance (b).

c Testing of income and expenditure from minutes, invoices, and bank statements

The system shall be tested during the audit process.

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

The system and controls laid down in Standing Orders shall be reviewed on a regular basis to check it is robust. No expenditure, transfers or disposal of assets shall be made without the approval of the full Council and minuted.

e Testing of specific internal controls and reporting findings to management.

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

f Computer data safety.

The system is protected by MacAfee anti virus software protecting the system from hackers, spam, identity theft, phishing scams and anti spyware. A back up of data shall be taken monthly

g Valuable documents.

The deeds for the Cross Roads Pond shall be held by the National Westminster Bank.

Risk Assessment Checklist

Risk area /Hazard	Control	Review Timing	Responsible	Reference Document	Actioned Date
Castle Road Ends Pond					
Provision of adequate insurance cover	Review insurance to check all risks covered	Annual	Clerk	Policy	
Public Injury caused by contractors	Check contractors insurance cover is adequate	On going	Clerk	Certificate	
Personnel Injury	Ensure any risks are minimised	On going	Clerk	Policy	
Maintenance of Pond area	Carry out regular inspection Budget for cost of maintenance Arrange for work to be carried out	6 monthly When Identified When Identified	Council Council Clerk		
General appearance	Carry out regular inspection	6 monthly	Council		
Adequate warning signs	Review need and effectiveness	On going	Council		
Safety fencing	Review need and effectiveness	On going	Council		
Information Board	Budget for cost of notice boards Arrange for installation	Annual When Identified	Council Clerk		
Cross Roads Pond					
Provision of adequate insurance cover	Review insurance to check all risks covered	Annual	Clerk	Policy	
Public Injury caused by contractors	Check contractors insurance cover is adequate	On going	Clerk	Certificate	
Personnel Injury	Ensure any risks are minimised	On going	Clerk	Policy	
Maintenance of Pond area	Carry out regular inspection Budget for cost of maintenance Arrange for work to be carried out	6 monthly When Identified	Council Council		

Risk Assessment Checklist

General appearance	Carry out regular inspection	6 monthly	Council		
Adequate warning signs	Review need and effectiveness	On going	Council		
Safety fencing	Review need and effectiveness	On going	Council		
Information Board	Budget for cost of notice boards Arrange for installation	Annual When Identified	Council Clerk		
Old Village Pond					
Provision of adequate insurance cover	Review insurance to check all risks covered	Annual	Clerk	Policy	
Public Injury caused by contractors	Check contractors insurance cover is adequate	Ongoing	Clerk	Certificate	
Personnel Injury	Ensure any risks are minimised	On going	Clerk	Policy	
Maintenance of Pond area	Carry out regular inspection Budget for cost of maintenance Arrange for work to be carried out	6 monthly When Identified	Council Council		
General appearance	Carry out regular inspection	6 monthly	Council		
Computing					
Crash of IT system	Ensure regular back up of data Ensure Equipment is properly maintained Ensure only approved software is used Maintain effective anti-virus software	Weekly Annual Annual Annual	Clerk Clerk Clerk Clerk		

Risk Assessment Checklist

Code of conduct					
Failure to maintain or update register of Interests/Gifts	Ensure all council members are aware of their responsibilities Maintain appropriate registers	Annual On going	Council Clerk		
Council meetings					
Failure to meet statutory duty	Ensure all members are notified of meetings by summons and agenda Ensure public notices are posted Ensure meeting is quorate and keep attendance records Complete minutes Arrange signing by chairman and maintain file	On Going On Going On Going On Going On Going	Clerk Clerk Clerk Clerk Clerk		
Access	Ensure access is available to all Have regard for disabled access Set aside area for press and public	On Going On Going On Going	Clerk Lod Hall Clerk		
Physical	Ensure that council has adequate insurance cover	Annual	Council		
Bye-Laws					
Failure to maintain register	Ensure register is up to date and maintained	Annual	Clerk		