

## RISK ASSESSMENT CHECKLIST – JULY 2014

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| <p><b>TABLE 1- Areas where there may be scope for insurance to help manage risk</b></p> <p><b>Risk identification</b></p> <p>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>a) 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>b) 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 (consequential loss).</p> <p>c) Loss of cash through theft or dishonesty (fidelity guarantee).</p> <p>d) Legal liability as a consequence of asset ownership (public liability).</p> | <p><b>Council's Response</b></p> <p>Insurance with Zurich</p> <p>a) The Council considers the current limit of Public Liability £ 12m appropriate</p> <p>b) n/a</p> <p>c) Fidelity guarantee is £250,000</p> <p>d) as a) above £ 12m PL</p>                       |
| <p><b>Internal Controls</b></p> <p>A council's internal controls may include the following : -</p> <p>e) An up to date register of assets and investments.</p> <p>f) Regular Maintenance arrangements for physical assets</p> <p>g) Annual Review of Risk and adequacy of cover</p> <p>h) Ensuring the Robustness of Insurance Providers</p>  | <p><b>Council's Response</b></p> <p>e) Reviewed as part of End of Year Statement</p> <p>f) Regular Inspection carried out – Clerk informed immediately of any concerns</p> <p>g) Reviewed as part of budget setting process</p> <p>h) Consultation with CHALC</p> |
| <p><b>Internal audit assurance</b></p> <p>* Internal audit testing may include the following : -</p> <p>i) Review of internal controls in place and their documentation.</p> <p>*j) Review of management arrangements regarding insurance cover.</p> <p>*k) Testing of specific internal controls and reporting findings to management.</p>   | <p><b>Council's Response</b></p> <p>Appointment of JDH Business Systems to carry out annual internal audit</p>  |

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| <p><b>TABLE 2 – Areas where there may be scope to work with others to help manage risk</b></p> <p><b>Risk Identification</b></p> <p>The limited nature of internal resources means that councils wishing to provide services often buy them from specialist external bodies</p> <p>a) Security for vulnerable buildings, amenities or equipment<br/> b) Maintenance for vulnerable buildings, amenities or equipment</p> <p>c) Banking arrangements including borrowing and lending<br/> d) Ad hoc provision of amenities for local events</p> <p>e) Professional Services (planning, architects, accountancy etc)</p> | <p><b>Council's Response</b></p> <p>a)b) Council representative on Pulford Village Hall Committee to ensure adequate controls in place<br/> c) n/a<br/> d) Playing Field – nominated Councillors carry out survey/risk assessment. Liaison with National Playing Fields Association for guidance<br/> e) n/a</p>   |
| <p><b>Internal controls</b></p> <p>A council's internal controls may include the following : -</p> <p>f) Regular scrutiny of financial records and proper arrangements for the approval of expenditure.<br/> g) Recording in the minutes the precise powers under which expenditure is being approved.</p> <p>h) Regular reporting on performance by suppliers, contractors etc</p> <p>i) Annual review of contracts</p> <p>j) Regular Bank reconciliations, independently reviewed</p>  | <p><b>Council's Response</b></p> <p>f) g) Financial updates provided at Council meetings and expenditure items presented for approval<br/> h) Playing Field area inspected regularly to ensure adequate standard of grass cutting. Clerk to be informed if not satisfactory<br/> i) Quotations may be invited at renewal depending on previous performance. Contracts awarded on price, robustness of company and reliability<br/> j) Bank reconciliation carried out prior to meetings and payment of</p> |

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|  | cheques. Banking information available for scrutiny at each meeting  |
| <p><b>Internal audit assurance</b></p> <p>j) Review of internal controls in place and their documentation</p> <p>k) Review of minutes to ensure legal powers in place, recorded and correctly applied</p> <p>l) Testing of income and expenditure from minute book to cash book to bank statements etc</p> <p>m) Review of adequacy of insurance cover provided by suppliers</p> | <p><b>Council's Response</b></p> <p>Appointment of JDH Business Systems to carry out annual internal audit</p> |

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| <p><b>TABLE 3 - Areas where need for self-management of risk</b></p> <p><b>Risk Identification</b></p> <p>There are a number of activities that create business risks outside the above categories</p> <p>a) Keeping proper financial records in accordance with statutory requirements</p> <p>b) Ensuring all business activities are within legal powers of local councils</p> <p>c) Ensuring all HMRC requirements are met</p> <p>d) Ensuring the adequacy of the annual precept</p> <p>e) Ensuring the proper use of funds granted to local bodies under specific powers or section 137</p> <p>f) Proper timely and accurate reporting of council business in the minutes</p> <p>g) Responding to electors wishing to exercise their rights of inspection</p> | <p><b>Council's Response</b></p> <p>a) Financial training provided by CHALC with regular updates</p> <p>b) Appropriate training for Clerk and awareness of responsibilities by Councillors</p> <p>c) Appointment of Autela Ltd to be responsible</p> <p>d) Budget prediction set by Clerk with meeting to consider likely areas of expenditure for forthcoming year</p> <p>e) Checked with relevant department of CW&amp;C as necessary</p> <p>f) Draft Minutes prepared and circulated for verification within a few days of meeting</p> <p>g) Notices displayed as appropriate and meetings always have a Public Speaking Item. Copies of minutes available for public attending meetings</p> <p>Accounts available as set</p> |
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| <p>h) Proper document control</p> <p>i) Register of members' interests and gifts and hospitality in place, accurate and up to date</p>   | <p>out in statutory requirements of audit process.</p> <p>h) Detailed filing system set up and important documents archived</p> <p>i) Register of Members Interest held. New Councillors required to complete a Register of Interest on appointment. Opportunity to update Register at start of each meeting</p>  |
| <p><b>Internal Controls</b><br/>These may include :-</p> <p>j) Regular scrutiny of financial records and proper arrangements for approval of expenditure</p> <p>k) Recording in minutes the precise powers under which expenditure is being approved</p> <p>l) Regular returns to HMRC ; contract of employment</p> <p>m) Regular budget monitoring statements</p> <p>n) Regular returns to HM Revenue and Customs; contracts of employment annually reviewed by the Council, systems of updating records for any changes in relevant legislation</p> <p>o) Regular returns of VAT</p> <p>p) Minutes properly numbered, paginated, and a master copy stored for safe keeping</p> | <p><b>Council's Response</b></p> <p>j) Invoices circulated for approval. Details of payments requiring authorisation circulated to Councillors with Agenda approx 3 days prior to meeting</p> <p>k) Approval recorded in Minutes with Minute page noted in Receipts/Payments</p> <p>l) Prepared and submitted by Autela Ltd. Contract of Employment for Clerk set up at start of appointment</p> <p>m) prepared by Clerk and presented at each meeting</p> <p>n) Prepared and submitted by Autela Ltd</p> <p>o) Prepared and submitted by Clerk as part of Annual Return calculations</p> <p>p) All pages initialled by Chair after approval. Clerk responsible for master copy and</p> |

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| <p>q) Documented procedures for dealing with the public</p> <p>r) Documented procedures for document receipt, circulation, filing</p> <p>s) Procedures for recording Members Interests</p> <p>t) Codes of conduct for members and employees</p> | <p>archiving</p> <p>q) coordinated by Clerk with responsibility delegated as appropriate</p> <p>r) Indexed register of documents kept by Clerk and circulated to Councillors. Clerk has filing system for documents</p> <p>s) Register set up and updated as required from each meeting</p> <p>t) Clerk has Code of Conduct document for reference by Councillors as required</p> |
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