SOMERFORD PARISH COUNCIL

RISK ASSESSMENT

Adopted 17 April 2023

Table 1 **Area where there may be scope to use insurance to help manage risk**	
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) 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) 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) Legal liability as a consequence of asset ownership (public liability)	**Council's response** Insurance is in place with Zurich. Somerford's fixed asset register is detailed in full in the schedule. Rhead's Meadows and Blackfirs Wood have been added under 'public liability'. A tree survey was completed by Eden Arboriculturists. Clerk and Chairman have surveyed the site, no action needed at present. To be reviewed in 2024. Covered, £12,000,000 Covered, £250,000 Covered, £12,000,000
Internal controls A council's internal controls may include: An up-to-date register of assets and investments Regular maintenance arrangements for physical assets Annual review of risk and adequacy of cover Ensuring the robustness of insurance providers	**Council's response** Yes Yes Checked with Insurers, Zurich for 22/23. Adequate
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	**Council's response** Yes - Internal Auditor Mr G Roberts Yes Yes - Cllr P Crompton checks the audit controls

Table 2 **Areas where there may be scope to work with others to help manage risk**	
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	Yes

external bodies, e.g., Maintenance for vulnerable buildings, amenities, or equipment. The provision of services being carried out under agency/partnership agreements with principal authorities Banking arrangements, including borrowing or lending Ad hoc provision of amenities/facilities for events to local community groups Markets management Vehicle or equipment lease or hire Trading units (leisure centres, playing fields, burial grounds, etc.) Professional services (planning, architects, accountancy, design etc.)	 Yes – Congleton Town Council for dog bin emptying. Shared provision of verge maintenance. No borrowing or lending. Nat West provide banking arrangements none none none Bowcock and Pursaill provided legal advice for RSPB land transfer in 2021/2022. Planning and Transport consultants engaged in March 2023 for Planning Application advice.
Internal controls A council's internal controls may include: Standing orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment Regular reporting on performance by suppliers, providers, contractors Annual review of contracts Clear statements of management responsibility for each service Regular scrutiny of performance against targets Adoption of and adherence to codes of practice for procurement and investment Arrangements to detect and deter fraud and/or corruption Regular bank reconciliations, independently reviewed	 Financial Regulations, Standing Orders and Code of Conduct reviewed annually. Yes All contractors were awarded as the job delivered not an annual renewal. All contracts authorised by full Council or Clerk and Chairman under delegated authority Service delivery is reviewed by Clerk and reported to full Council. Yes Yes Cllr P Crompton makes regular checks.
Internal audit assurance Internal audit testing may include: Review of internal controls in place and their documentation Review of minutes to ensure legal powers are available, and the basis of the powers recorded and correctly applied Review and testing of arrangements to prevent and detect fraud and corruption Review of adequacy of insurance cover provided by suppliers	**Council's response** Yes Yes Yes Yes

Testing of specific internal controls and reporting findings to management	Yes
Table 3 **Areas where there may be a need to self-manage**	
Risk identification 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.	JDH Services may be approached to carry out a GDPR audit in 2023/24 based on updated guidelines.
Keeping proper financial records in accordance with statutory requirements`	Yes
Ensuring all business activities are within legal powers applicable to local councils.	Yes
Complying with restrictions on borrowing	N/A
Ensuring that all requirements are met under employment law and Inland Revenue regulations	Yes – Contract of Employment in place and TCS Management provide payroll services.
Ensuring all requirements are met under Customs and Excise regulations (especially VAT)	Yes
Ensuring the adequacy of the annual precept within sound budgeting arrangements	Yes
Monitoring of performance against agreed standards under partnership agreements	Yes
Ensuring the proper use of funds granted to local community bodies under specific powers or under section 137	Yes
Proper, timely and accurate reporting of council business in the minutes	Yes
Responding to electors wishing to exercise their rights of inspection	Yes
Meeting the laid down timetables when responding to consultation invitation	Yes
Meeting the requirements for Local Award for Councils	SPC have been re-accredited with Local Council Award – Quality Gold in 2021/22
Proper document control	Yes
Register of members' interests and gifts and hospitality in place, complete, accurate and up to date	Yes.
Table 4 **Areas where there may be a need to self-manage risk**	
Internal controls A council's internal controls may include:	**Council's response**
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes
Recording in the minutes the precise powers under which expenditure is being approved	Yes
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.	Yes. Employment contract agreed and signed and performance management in place.

Regular returns of VAT; training the responsible officer in matters of VAT and other taxation issues as necessary.	VAT claim for 21/22 submitted. Claim for 22/23 to be submitted to HMRC in May 2023
Regular budget monitoring statements	Yes and on the website
Developing systems of performance measurement	Yes
Procedures for dealing with and monitoring grants or loans made or received	FCC Communities grant under assessment
Minutes properly numbered and paginated with master copy kept in safekeeping	Yes
Documented procedures to deal with enquiries from the public	Yes
Documented procedures to deal with responses to consultation requests	FOI Policy and Complaints Policy in place
Monitoring arrangements by the council regarding Quality Council status	Quality Gold status renewed.
Documented procedures for document receipt, circulation, response, handling and filing	GDPR compliance to be reviewed
Procedures in place for recording and monitoring members' interests and gifts and hospitality received	Yes, published both locally and on the Cheshire East website
Adoption of codes of conduct for members and employees	Yes, revised NALC/ChALC Code of Conduct and guidance to be implemented in May 2023
Internal audit assurance	**Council's response**
Internal audit testing may include:	
Review of internal controls in place and their documentation	Yes
Review of minutes to ensure legal powers in place, recorded and correctly applied.	Yes
Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements etc. including petty cash transactions.	All expenditure duly authorised Bank reconciliation performed monthly N/A on cash handling.
Review and testing of arrangements to prevent and detect fraud and corruption.	Yes
Testing of disclosures	Yes
Testing of specific internal controls and reporting findings to management	Yes
Table 5 **Partnership**	
Ensure that proper safeguards exist when the Council works in partnership with another body	Yes

<u>**Approved by Council on 17 April 2023**</u>

Geoff Bell

Chairman of Somerford Parish Council

Date 17 April 2023

Carlton Evans

Clerk of Somerford Parish Council Date 17 April 2023