



## **Carnforth Town Council Risk Assessment**

This document has been produced to enable the Town Council to assess the risks that it faces and satisfy itself that it has taken adequate steps with control systems to minimise the risks.

Risk Assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Town Council to identify any and all potential risks, inherent in the place or practices. Based on a recorded assessment the Town Council should then take all practical and necessary steps to reduce or eliminate the risks, insofar as is practicably possible. The Risk Assessment document to be reviewed annually.

In carrying out the Risk Assessment, the following steps were taken –

- ✚ Identify the areas to be reviewed
- ✚ Identify what the risk may be
- ✚ Evaluate the management and control of the risk and record findings
- ✚ Review, assess and revise as required.

Monday, March 14, 2016

Area	Risk	Level	Internal Controls ( <i>bold indicates areas where work is needed</i> )	Internal Audit Assurance
Assets	Protection of physical assets owned by the council – buildings, furniture, equipment etc (loss or damage).  Legal liability as a consequence of asset ownership (public liability).	M	Buildings insured. Value increased annually by RPI. Valuation on buildings for insurance purposes.  Assets register kept and where there is change updated for all properties..	Review of internal controls in place and their documentation.  Review of management arrangements regarding insurance cover.
	The risk of damage to third part property or individuals as a consequence of the council providing services or amenities to the public (public liability).	M	Annual review of risk and the adequacy of cover.  Ensuring the robustness of insurance providers.  Valuation of Civic Hall	Testing of specific internal controls and reporting findings to management.
	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).	L		
	Security of buildings, equipment etc	M	Caretaker checks security of Civic Hall when hirers leave..	
	Maintenance of buildings etc	L	Buildings, currently, maintained on a 3 year Maintenance Plan. Health & safety check on equipment and buildings done monthly	3 <sup>rd</sup> year still to be completed.
Liability	Risk to third party, property or individuals.  Ad hoc provision of amenities/facilities for events to local community groups	M	Insurance in place.  Risk assessments on all properties carried out yearly and updated as required/when necessary	The Internal Control Review Team reviews all Risk Assessment documents and insurance schedules as part of their check on effectiveness.

	Professional services (planning, architects, accountancy, design, etc).		Health & Safety Policy updated yearly.  Risk assessments of individual events such as Christmas lights and other Town events carried out as necessary. Contractors employed to put up Christmas lights test fixings when installing them.  Public Liability insurance in place	A report on the Effectiveness of the Internal Controls is then submitted to Full Council for adoption. Checked by internal auditor
<b>Area</b>	<b>Risk</b>	<b>Level</b>	<b>Internal Controls (<i>bold indicates areas where work is needed</i>)</b>	<b>Internal Audit Assurance</b>
Employer Liability	Comply with Employment Law and regulations.	M	Clerk is member of SLCC Advisory Group  Employer Liability insurance in place  Council member of HAPTC	
	Comply with Inland Revenue requirements	M	Advice from IR and Sage when required. Internal auditor checks books 6 monthly and external auditors carry out annual audit	
	Safety of Staff and Visitors	M	General risk assessment checks of all properties and office working conditions as required.  Health and Safety Policy in place – updated as required. Health and Safety posters displayed in all properties  Adoption of codes of conduct for members and employees	
Legal Liability	Proper and timely reporting via the Minutes	M	Council receives and approves Minutes of meetings held. Minutes made available to press and public at the Town Hall. And on web site. Documented procedures to deal with enquiries from the public.  Responding to electors wishing to exercise their rights of inspection.  Minutes properly numbered and paginated with a master copy kept in safekeeping. All minutes kept electronically	Review of minutes to ensure legal powers are available, and the basis of the powers recorded and correctly applied.
Legal Liability	Ensuring all business activities are within legal powers applicable to local councils.	M	Meeting the laid down timetables when responding to consultation invitations.  Ensure Council has the power to act.	

			Meeting the requirements for Quality Parish Status or other accreditation. Monitoring arrangements by the council regarding Quality Council Status.	
<b>Area</b>	<b>Risk</b>	<b>Level</b>	<b>Internal Controls (<i>bold indicates areas where work is needed</i>)</b>	<b>Internal Audit Assurance</b>
Legal Liability	Proper document control	M	Original leases and Deeds stored in fireproof safe in main office.  Documented procedures for document receipt, circulation, response, handling and filing.  Disposal of confidential documents – shredded. Shredding facility available to Councillors for confidential information.  Document Retention Policy in place.	
	Computer	M	Backups stored in fireproof safe.	
Finance	Responsible Finance Officer  Banking  Payroll Ensuring all requirements are met under HM Revenue and Customs Notices and regulations (Income Tax and National Insurance).	L  M	RFO appointed and minuted.  Investments handled by xxxxx Bank. Bank transfers authorised by Town Clerk between RTC accounts only.  Salaries calculated by Town Clerk and checked/signed by Town Clerk. BACS payment monthly limit set with bank – Verification received from bank within 2 days and checked by Town Clerk. .  Regular returns to HM Revenue & Customs; contracts of employment for all staff, systems of updating records for any changes in relevant legislation.	Banking reviewed annually by Councillors and reported to Finance Committee. Finance Committee to agree any changes
	Loss of cash through theft or dishonesty (fidelity guarantee)	L	All cash monies received receipted and invoices marked paid. Banked weekly. Petty cash balanced monthly.  Insurance cover review ensures adequacy of Fidelity guarantee insurance	Review and testing of arrangements to prevent and detect fraud and corruption.  Checked by internal auditor and reviewed by Councillors annually at the Annual Audit Review
	Catastrophic Bank failure	L	Banking arrangements reviewed.	

Finance	<p>Financial controls and records</p> <p>Financial controls and records (continued)</p>	L	<p>Monthly reconciliation prepared by Finance Chair and checked by TC and reported to Finance Committee.</p> <p>Invoices initialled when cheques are signed by Councillors.</p> <p>??? signatories on cheques required. Authorised cheque signatures minuted.</p> <p>Internal Auditor visits and checks 6 monthly. External Audit year-end accounts.</p> <p>Standing orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment. Annual review of contracts.</p> <p>Reporting on performance by suppliers/providers/contractors as required.</p> <p>Monthly scrutiny of financial records and proper arrangements for approval of expenditure. Adoption of and adherence to codes of practice for procurement and investment.</p> <p>Clear statements of management responsibility for each service.</p> <p>Developing systems of performance measurement to scrutinise performance against targets.</p> <p>Arrangements to detect and deter fraud and/or corruption.</p> <p>Keeping proper financial records in accordance with statutory requirements.</p> <p>Ensuring the proper use of funds granted to local community bodies under specific powers.</p> <p>Instant Accounts &amp; Payroll – password protected.</p> <p>Daily and weekly backups taken. Backups in fireproof safe.</p>	<p>Review of internal controls in place and their documentation. Review undertaken by councillors and reported to Full Council.</p> <p><u>Internal Auditor</u> Testing of specific internal controls and reporting findings to Finance Committee. 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>Payroll checked</p> <p>Review of adequacy of insurance cover provided by suppliers.</p> <p>Review and testing of arrangements to prevent and detect fraud and corruption.</p>
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Finance	Comply with Customs and Excise Regulations	L	Use help line when necessary. VAT payments and claims calculated by Deputy and checked by Clerk. Submitted via accounts package.  Process quarterly.  Training for the responsible officer in matters of VAT and other taxation issues as necessary.	
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Finance	Sound budgeting to underlie annual precept  Adequacy of Reserves – General & Earmarked	M  L	Income and Expenditure against budget reported to Finance Committee monthly.  Considered at review of final accounts and budget setting. Budget Working Party review draft Budget for following year.  Finance Committee receive detailed draft budget in the late autumn. To discuss and amend.  Annual Precept derived directly from this. Presented to Full Council Jan for approval.	
Continuity	Response to emergency situations not covered by NHDC	L	Emergency plan/ policy (Currently in design) – pack circulated to Management Team	Pack updated as required.
	Staff – Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate. Assistant to Town Clerk to undertake further training.	
	Other employed staff	L	Training and supervision monitored.	
	Town Councillors	L	Town Council elections for Councillors May 2019 Induction course planned for new Councillors	
Training	Illegal activity	M	Councillors and staff to have training to prevent illegal activities.	

External Areas	Monitoring of performance against agreed standards under partnership agreements	L		Regular updates reported to Finance Committee
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Councillors propriety	Registers of Interests and gifts and hospitality in place	H	All Councillors signed up to Code of Conduct Register of interest complete, accurate and up to-date. Procedures in place for recording and monitoring Members' interests and Gifts and Hospitality received.	Testing of disclosures
		<b>Review:</b>		
		<b>Adopted by Full Council .....</b>		
		<b>Date ..... (minute no.....)</b>		