Longridge Town Council

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Mission Statement
Endeavour, through foresight and leadership, to enhance quality of life for Longridge residents and visitors.
Working to enrich facilities and nurture opportunity,
to protect and improve the built and natural environment, and promote community pride.

Risk Management Policy

Station Buildings, Longridge.

Aim: This Policy is designed to facilitate effective risk management throughout the Town Council so that risks are identified, evaluated, mitigated and monitored.

Policy authorisation:	Longridge Town Council
Date of policy introduction or most recent update:	August 2023
Date of next policy review:	August 2024
Policy author	Jessica Dibble, LTC Clerk

RISK MANAGEMENT POLICY

Council adopted the policy on: Wednesday 9th August 2023

1. Introduction

1.1 Longridge Town Council is committed to identifying and managing risks, using the

following procedures, and to take any action that is felt necessary to ensure risks are

maintained at an acceptable level.

1.2 The Town Clerk (who is also the responsible financial officer) will review risks on a

regular basis, including any newly identified risks, and will report to Council if any

unacceptable levels of risk are identified.

1.3 The Joint Panel on Accountability and Governance Practitioners' Guide March 2021

makes the following observations regarding risk management:

"The focus of risk management is to identify what can go wrong and take proportionate steps

to avoid this or successfully manage the consequences."

"Risk management is not just about financial management; it is about protecting the

achievement of objectives set by the authority to deliver high quality public services."

1.4 It goes on to make the point that the authority generally and members individually are

responsible for risk management and risk management is an ongoing activity that

comprises four elements:

a) identifying risks;

b) assessing risks;

c) addressing risks; and

d) reviewing and reporting.

1.5 To help identify the risks facing our council we have grouped them under the three main types of decisions that have to be taken:

a) Areas where there may be scope to use insurance to help manage risk

b) Areas where there may be scope to work with others to help manage risk

c) Areas where there may be a need to self-managed risk.

2. Using Insurance to Help Manage Risk

2.1 RISK IDENTIFICATION – Insurance cover for risk is the most common approach to certain types of inherent risk:

a) Protection of physical assets – all physical assets are insured.

b) Public Liability – Longridge Town Council has a Public Liability Insurance of £10,000,000. It also has personal accident liability cover for employees, members and volunteers.

c) Employers Liability – Longridge Town Council has an Employers Liability Insurance of £10,000,000.

d) Employee Dishonesty – Longridge Town Council has Employee Dishonesty cover for £250,000.

e) Loss of Money

f) Libel and Slander

g) Commercial legal protection

h) Office equipment

i) Personal accident

2.2 INTERNAL CONTROLS

a) Maintain an up-to-date register of Assets and Investments. - The Asset Register is reviewed annually by the Clerk and members receive a regularly updated list.

b) Regular maintenance for physical assets.

Street furniture including public benches, the Millenium Cross, and heritage lighting are monitored regularly by the Clerk and councillors.

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

The Town Clerk reviews the insurance cover annually, makes recommendations for approval by Council and updates cover as agreed.

d) Regular maintenance of the building.

Property Owners insurance – Longridge Town Council has a property owners' insurance up to the value of £5,000,000

2.3 INTERNAL AUDIT ASSURANCE

Review of internal controls in place and their documentation.

a) Internal controls are reviewed as necessary by the Clerk, Budget Committee and Internal Auditor. Recommendations are submitted to Council.

3. Working with Others to Help Manage Risk

3.1 RISK IDENTIFICATION

a) Security for vulnerable buildings, amenities or equipment.

The Council has property owners' insurance and council equipment secure. Bank statements, cheque books and stubs, debit cards and stamps are kept in a secure lockable unit. Deeds and original leases are kept in a fireproof locked box.

b) Banking Services

All cheques require two signatures.

Council reviews the payment schedule for all payments.

Payments are processed by the Clerk and authorised by two members of Council for online banking.

c) Professional services, contractors etc.

The Council endeavours to ensure that wherever possible it has the opportunity to select at least two providers of any professional service it requires.

3.2 INTERNAL CONTROLS

a) The Council has Standing Orders and Financial Regulations that govern the awarding of contracts/purchases.

b) Arrangements to detect and deter fraud and/or corruption.

Invoices are subjected to scrutiny by both the Clerk and the cheque signatories. Any variation in salary payment is approved by the full Council. Expenses are only approved after submission of fully detailed claim form.

c) Regular bank reconciliations, independently reviewed.

Bank statements are received monthly and are reviewed and reconciled by a Councillor who is not a cheque signatory. Bank accounts are reconciled regularly.

3.3 INTERNAL AUDIT ASSURANCE

a) Review of internal controls in place and their documentation. Recommendations from the Town Clerk and Internal Auditor are submitted to Council.

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

Where appropriate, legal powers bestowed on the Council will be recorded in the minutes against decisions taken. The minutes of meetings can also be reviewed during the internal audit process.

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

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

4. Self-Managed Risk

4.1 RISK IDENTIFICATION

a) Keeping proper financial records in accordance with statutory regulations.

Financial records are kept in accordance with the statutory requirements and are reviewed as part of the Audit process

b) Ensuring all business activities are within legal powers applicable to Local Councils. See Section 3.3 (b).

c) Ensuring that all requirements are met under employment law and HMRC regulations.

Payroll is run on PAYE Tools. Salary forecasts are undertaken as part of the budget setting process.

PAYE is calculated by an appointed payroll manager and is external to the council.

d) Ensuring the adequacy of the annual precept within sound budgeting arrangements. The budget is reviewed and approved by Council annually.

e) Ensuring the proper use of funds granted to local community bodies under specific powers or Section 137.

f) Proper, timely and accurate reporting of the Council business in the minutes. Council minutes are distributed to Members in advance of the subsequent meeting so they can check the draft for accuracy and then verify as a correct record.

g) Responding to electors wishing to exercise their rights of inspection. The Council has adopted the Model Publication Scheme under the Freedom of Information Act 2000 and has its own written policy.

h) Proper document control.

Paperwork is retained in accordance with national guidelines. Relevant documents are available for viewing on request. The Council is registered for data protection.

i) Register of members' interests and gifts and hospitality in place, complete, accurate and up-to-date. The members' register of interest is held by the Clerk, details are published on our web site and a copy is held by the Monitoring Officer at Ribble Valley Borough Council. It is the responsibility of Members to notify the Clerk of changes. The entries are reviewed annually.

4.2 INTERNAL CONTROLS

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

Monthly payment schedules are submitted to Council for approval prior to payments being made.

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

See Section 3.3 (b)

c) Regular returns of VAT.

The Clerk is responsible for completion and submission of VAT returns and these are submitted annually.

d) Developing system of performance measurement In accordance with legislation. Staff appraisal for the Town Clerk will be undertaken annually, by the Chair and Vice-Chair.

e) Minutes properly numbered with a master copy kept in safekeeping.

All Council and Committee minutes are correctly numbered. These are reviewed and signed. Two years of original copies are kept in the Clerk's office (filing cabinet), and older ones are stored. They are also kept as computer files which are backed up to One Drive on a regular basis.

f) Procedures to deal with enquiries from the public.

Calls, letters and emails are dealt with as soon as practicable unless referred to Council. In such cases, acknowledgement of the enquiry is made.

g) Adoption of Code of Conduct for members. The Council has adopted a Code of Conduct.

4.3 INTERNAL AUDIT ASSURANCE

a) Review of internal controls in place and their documentation.

Internal controls are reviewed as necessary by the Town Clerk, Chairman, Vice Chairman and Internal Auditor. Recommendations are submitted to Council.

b) Review of minutes to ensure legal powers in place, recorded and correctly applied. See Section 3.3 (b).

c) Computer data safety

All necessary procedures and documents are computerised and all relevant areas of Clerks computer are backed-up to One Drive. Full version commercial anti- virus software is always in force on the Council's laptop.