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## **RISK MANAGEMENT POLICY**

Silkstone Parish Council is committed to identifying and managing risks, using the following procedures and to ensure that risks are maintained at an acceptable level in order to protect Council assets and Tax payers precept. Any action that is felt necessary will be taken by Silkstone Parish Council. The Clerk will review the separate risk assessments document annually with one nominated Councillor. Any new projects/risks will be subject to a risk assessment which will be approved by Parish Council and added to the Risk Assessments file.

The Local Council's Government and Accountability Guidance highlight the following observations regarding risk management.

- Risk management is not just about financial management; it is about setting objectives and achieving them in order to deliver high quality public services.
- 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 makes the point that Members are ultimately responsible for risk management because risk threatens the achievement of policy objectives. Members should, therefore
- Take steps to identify key risks facing the Council
- Evaluate the potential consequences to the Council if an event identified as a risk takes place
- 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
  1. Areas where there may be scope to use insurance to help manage risk (Section A)
  2. Areas where there may be scope to work with others to help manage risk (Section B)
  3. Areas where there may be need for self-managed risk (Section C)

### **Section A - Areas where there may be scope to use insurance to help manage risk.**

#### **1. Risk Identification.**

##### ***1a. Protection of physical assets e.g. buildings, furniture and equipment.***

All physical assets are insured with Zurich Municipal via policy numbered YLL-2720841473 . The policy is renewable 1<sup>st</sup> October and is subject to a Long Term Agreement expiring 30<sup>th</sup> September 2019.

##### ***1b. Risk of damage to third party property or personal injury as a result of the Council providing services or amenities to the public.***

Silkstone Parish Council has a public liability limit of indemnity of £12,000,000 and employers' liability insurance with a £10,000,000 limit of indemnity.



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***1c. Risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance of a third party.***

Business Interruption – Additional Expenditure and Business Interruption – Loss of Gross Revenue is included in the above insurance policy cover.

***1d. Loss of cash through theft or dishonesty by an employee (including Member).***

Money cover is included within the policy for loss. Fidelity Guarantee (Employee Dishonesty) cover is provided by the Parish Council's insurer with a sum insured of £250,000.

***1e. Risk of Financial Loss to a third party as a result of a negligent act, accidental error or accidental omission by an employee or volunteer.***

Officials Indemnity cover is provided by the Parish Council's insurers.

***1f. Risk of a legal liability to third parties for Defamation by Libel and/or Slander.***

Libel & Slander cover is provided by the Parish Council's insurers.

***1g. Risk of losing the services of the Parish Clerk/RFO through illness, accident or assault.***

Personal Accident – Key Personnel cover is provided by the Parish Council's insurers for accidental injury or assault during the course of employment. Password recovery procedures in place with Council Chair and Vice Chair and access to files/documents. All information listed in the business continuity file held by chair/vice chair with a copy in the Parish Council safe box at the Pavilion.

## **2. Internal Controls**

***2a. Maintain an up to date register of Assets and investments.***

The asset register is reviewed annually by the Clerk and is declared at renewal with the Parish Council's insurer uplifting by insurers recommended inflationary uplift.

***2b. Regular maintenance of physical assets.***

The Huskar Community Rooms are managed by the Huskar Community Rooms management committee. All repairs and maintenance are carried out by their buildings manager or their appointed contractors. The Parish Council owns and insures the building but contents are insured by the management committee.

The Silkstone sports pavilion is owned and managed by the Parish Council. A contracted handyman carries out weekly inspections of the facility and liaises with the Clerk to agree repairs and maintenance works required. Regular health and safety checks are completed including emergency lights testing, PAT testing and FFE servicing. A file of H&S reports is kept in the Pavilion.



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**2c. Annual review of risk and the adequacy of insurance cover.**

The Risk assessments are reviewed annually. Risk Assessments are in place for the following:

Allotments	Planning & Development Control
Benches	Provision of Office Accommodation
	Silkstone Community Hub
Code of Conduct	- Recreation Ground
Computing	- Sports Pavilion
Council Meetings	- Car Park
Council Property and Documents	- Huskar Community Rooms
Data Protection	- MUGA & Youth Shelter
	- Trim Trail and picnic area
Employment of Staff	Summer Fair
Meetings of the Council	War Memorial & Boundary stones
Financial Management	Website & Social media
Gifts	Woodland - Conroyd Wood
Newsletter	- Orchard Wood
Open Spaces - The Chestnuts	- Jays Wood
- Towngate, Silkstone	
- The Stocks, Silkstone	
- High street, Silkstone	
- The Roses, Silkstone Common	
- War Memorial congregation area	

The Clerk reviews the insurance cover annually or as required.

**2d. Ensuring financial robustness of insurance providers.**

Zurich Municipal were appointed following an audited marketing exercise as providing the most economically advantageous solution. Their Credit Rating is AA/- Stable with Standard & Poor's.

**3. Internal Audit Assurances.**

**3a. Review of internal controls and their documentation**

Internal Controls are reviewed as necessary by the RFO/Clerk, Internal auditor and Parish Council chair. Recommendations from the RFO/Clerk or Internal Auditor and submitted to Parish Council for consideration/approval.

**3b. Review of management arrangements regarding insurance cover.**

This forms part of the Parish Council procedures at the time of the annual review at renewal.



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### ***3c. Testing of specific internal controls and reporting findings to the Parish Council.***

This is undertaken as part of the internal audit process. Reports are presented to Parish Council and minuted.

## **Section B – Areas where there may be scope to work with others to help manage risk**

### **1. Risk Identification.**

#### **1a. Trim Trail / MUGA / Children's Play areas.**

The children's play areas at Martin Croft, Silkstone and Silkstone Common Rec are managed by Barnsley MBC parks department. The Multi use games area (MUGA) at the Silkstone Recreation Ground is managed by ~~Barnsley MBC~~ Silkstone Parish Council and inspected weekly by the Parish Council's handyman. The 'Trim Trail' at the Silkstone Recreation Ground is inspected weekly by the Parish Council's handyman and ~~monthly by appointed contractors~~ annually by RoSPA (via an agreement with Barnsley MBC)

#### **1b. Banking Services.**

Parish Council's banking arrangements are reviewed periodically by the RFO and reported to Parish Council for consideration of any changes in banking procedure or legislation.

#### **1c. Huskar Community Rooms.**

There is a separate committee which runs the community rooms and reports on a regular basis to the Parish Council.

#### **1d. Professional services and contractors.**

The Council endeavours to ensure that wherever possible it has the opportunity to select the provider of any professional service it requires and the Clerk will endeavour to obtain 3 quotations for Council's consideration. Consideration will be given to the requirements of the Social Value Act and the Council reserves the right to not be bound to accept the lowest quotation.

#### **1e. Allotments.**

The allotment site at Pack Horse Green, Silkstone is managed by the Parish Council. Allotment holders do not have a separate management committee, though this option has been suggested to them in the past.

### **2. Internal Controls.**

#### **2a. Standing Orders and Financial Regulations.**



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The Parish Council has standing orders and financial regulations that deal with the award of contracts for services or the purchase of capital equipment. These are reviewed annually and are in line with NALC model standing orders and financial regulations.

***2b. Parish Council budget setting.***

The Parish Council sets its budget annually following a review in November/December the budget is presented to Parish Council at their January meeting. There are transparent processes to ensure that the budget is effectively scrutinised. The Parish Council also has a separate financial risk policy.

***2c. Arrangements to detect and deter fraud/corruption.***

Invoices are subject to scrutiny by both the RFO and two Councillor cheque signatories. The invoices schedule presented to Council is approved and signed by the cheque signatories and Chair. This also forms a part of the annual internal audit checks.

***2d. Bank Reconciliations and Budget Monitor.***

Currently the RFO produces a Bank Reconciliation and Budget Monitor quarterly, this has been found to be adequate for Silkstone Parish Council, and though current guidance is to have monthly bank reconciliations the Parish Council agreed that quarterly bank reconciliations suited their requirements.

***2e. Business Continuity.***

Silkstone Parish Council has a business continuity plan. The Clerk is the sole employee of the Council dealing with all day to day council business and accounts. The business continuity plan is an essential document which gives guidance to councillors in situations where the Clerk may be unable to work for any length of time. Copies of the Business Continuity plan are kept securely by the Clerk, Chair and Vice Chair subject to the requirements of the Data Protection Act (GDPR 2018).

**3. Internal Audit Assurance.**

***3a. Review of internal controls in place and their documentation.***

Internal controls are reviewed by the Clerk and Internal auditor. Recommendations from the Clerk and Internal Auditor are submitted to the Parish Council.

***3b. Legality of Council decisions.***

Silkstone Parish Council uses the Power of General Competence as their power of first resort. The Clerk will ensure that no items on the agenda are unlawful. Where the Council decides to act against the Clerk's advice this is minuted. Minutes of meetings are published on the Parish Council website and Council minutes are reviewed as part of the audit process. See also Section 1 – insurance provision for Officials' Indemnity and Libel & Slander.

***3c. Review and testing arrangements to prevent fraud and corruption.***



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The use of standing orders, financial regulations and internal controls are all methods which contribute to prevent and deter fraud and corruption.

### **3d. Review of adequacy of insurance cover provided by contractors**

It is a requirement that all Parish Council contractors provide evidence of a valid policy of public liability insurance with a minimum limit of indemnity of £5,000,000. Copies of the handy man and grounds man's public liability insurance cover is kept on file.

## **Section C – Areas where they may be a need to self-manage risk.**

### **1. Risk Identification.**

#### ***1a. Keeping proper financial records in accordance with statutory regulations.***

All financial documents are kept for a period of 7 years in accordance with statutory requirements. Internal controls are in place for the quarterly VAT return to be checked by a councillor. The quarterly bank reconciliation and budget monitor is also checked by a councillor quarterly. The Clerk's pay is checked by cheque signatories along with the Tax, NI and Pension payments monthly. All financial records are checked at the time of the internal audit. Employers' Liability certificates to be retained for 50 years from expiry.

#### ***1b. Borrowing.***

The Parish Council has a public works loan for the construction of the Huskar Community Rooms. This is shown separately on the external audit report.

#### ***1c. Inland Revenue & Employment law.***

Inland Revenue calculations are made by the RFO and are subject to the audit process. Salary forecasts are undertaken as part of the budget setting process and incremental increases are awarded based on national pay scales from NALC and subject to approval of the Parish Council.

#### ***1d. Ensure all requirements are met under the Customs and Excise Regulations (VAT).***

Silkstone Parish Council reclaims VAT on form VAT126 quarterly. VAT is listed separately on the invoices for payment schedule and is shown on the payments schedule in a separate column.

#### ***1e. Adequate Precept.***

The setting of the precept is part of the budget setting process which starts in November with a budget review by a working party. The budget build up is then presented to Parish Council for consideration and amendment in January/February when the precept is set and advised to Barnsley MBC who pays the precept to the Parish Council in one sum in early April each year.



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**1f. Ensure proper use of funds granted to local community groups.**

The grants budget is set at the time of budget setting. Grant applications are considered in line with the Parish Council's grants awarding policy.

**1g. Proper, timely and accurate reporting of Council business in meeting minutes.**

Minutes of meetings are prepared by the Clerk and the draft minutes issued to the Chair of the meeting within one week of the meeting for checking prior to distribution and posting on website. Minutes are approved as a true and accurate record at the following meeting of the Council.

**1h. Electors wishing to exercise their rights of inspection – Council response.**

Elector's rights to inspect the accounts are advertised on the village notice boards in accordance with the guidance from the external auditor. In accordance with the freedom of Information Act (FOIA), all documents are publicly available are listed on the Parish Councils publication policy on the website.

**1i. Register of members' interests.**

Members' register of interests is held by the Clerk and a copy held by the monitoring officer of Barnsley MBC and is also accessible on the Parish Council's website. It is the member's responsibility to notify the Clerk of any changes. Members are invited to review their register of interests annually and either update their register or sign a slip to say that their register of interests is unchanged.

**2. Internal Controls.**

**2a. Regular scrutiny of financial records on proper arrangements for the approval of expenditure.**

Internal controls and financial regulations have procedures in place to prevent any unlawful expenditure.

**2b. Contracts of Employment and PAYE.**

The Clerk has an employment contract which is based on the Model NALC employment contract. The Clerk and newsletter deliverers are paid using the Basic PAYE tools real time software tool from HMRC.

**2c. Regular VAT returns.**

VAT returns are completed quarterly and checked by a councillor before being submitted.

**2d. Performance Management.**

The Clerk has an annual appraisal completed by the Chair of the Council of the staffing committee around August time. The Vice Chair of the Council is the Chair of the staffing committee who review the appraisal and will meet if necessary to discuss any areas of concern. Otherwise the appraisal is reported to the Parish Council at their meeting in September by the Chair of the Staffing Committee.

**2e. Minutes properly kept.**



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Minutes are numbered according to the year of the annual meeting e.g. 17-001, minute number 001 being the election of the Chair at the annual meeting of the Council in May each year. Minutes are also published on the Parish Council website and the current year minutes kept in paper copy by the Clerk. Every few years signed minutes are sent away for binding and then stored at Barnsley Town Hall's archive facility.

***2f. Adoption of the Code of Conduct.***

Silkstone Parish Council adopted a code of conduct for members. Employees are governed by their individual contract of employment.

**3. Internal Audit assurance.**

***3a. Review of internal controls.***

Internal controls are reviewed annually by the Clerk and internal auditor and recommendations are then reported to Council.

***3b. Transaction testing of income and expenditure.***

Covered during the annual internal audit.

***3c. Computer data back-up.***

Computer is backed up at least monthly using a hard drive which is stored in the safe at the Sports Pavilion. Cloud back up is now also in place with Chair and Vice Chair aware of passwords so that Council files can be accessed.

**Silkstone Parish Council  
Risk Management Policy  
17<sup>th</sup> October 2017.**