BADGER PARISH COUNCIL

RISK MANAGEMENT REVIEW – SEPTEMBER 2021

1. INTRODUCTION

Risk Management is the process whereby the Council methodically addresses the risks associated with what it does, and the services which it provides. Councillors are ultimately responsible for risk management because uncontrolled risk threatens the achievement of aims and objectives. In this Review Councillors are asked to consider to:

* Take steps to identify and where necessary update key risks facing the Council.
* Evaluate the potential consequences to the Council if an event identified as a risk takes place.
* Decide on appropriate measures to avoid, reduce or control risk.
* Record conclusions and decisions reached.
1. RISK AREAS

This review takes into account the financial, physical and environmental issues under the following three headings:

1. Areas where there may be scope to use insurance to help management risk.
* Asset insurance is provided for asset protection and legal liabilities. This currently includes cover of up to £37,191 for street furniture and £1,628 for other outside equipment. This more than covers any cost of repairs and replacements caused other than by wear & tear.
* Full insurance for some years has been arranged through brokers Came & Company. The current three- year agreement is with Pen Writing Limited which since 26th June 2021, is in its second year. Insurance includes £10 million each for Employers Liability and Public Liability.
* The Council has internal controls for an up- to- date register of assets and investments. There is regular oversight of assets for any need of repairs or general maintenance for the Council’s physical assets. These include a bus shelter that had a new thatched roof seven years ago, a public notice board that was refurbished in 2020, a number of road signs supplied by the Council which were refurbished four years ago, a defibrillator with an associated cabinet box, two foldable tables used at Council meetings, a marquee and brazier used when celebrating special events. The Council uses a privately owned adapted telephone kiosk for housing the defibrillator under a 15 year agreement since

2014, costing a nominal hire fee of £1.00 annually and on the understanding that the Council helps towards maintenance and meets the cost of insurance cover. The kiosk was fully refurbished four years ago when costs were equally shared between the owner and the Council.

* To secure better control of road safety in the Parish a site review with officials from Shropshire Council’s Highway Authority was conducted in September 2020, when agreement was reached for the provision of some further road signs that have yet to be installed. Insurance cover rests with Shropshire Council.
* The market value of the Council’s assets has been revalued in line with the inflation rate of the insurance premium which in 2021, is 3%. The estimated present market value of the Council’s assets now totals £20,832.
* Councillors have been voluntarily maintaining the highway verges in the centre of Badger village, but consideration is currently underway to hire a professional contractor to undertake the work.
* Work conducted under the control and direction of the Parish Council done by volunteers in Badger Dingle is covered by the Council’s insurance policy.
* There is satisfactory security to care for the Council’s property, such as storing the tables in the local Parish Church, where meetings are held, and the appointment of custodians for its other assets.

 2. Areas where there may be scope to work with others to help manage risk

- The “Smartwater Scheme”, overseen by the police, aims to prevent domestic theft, was previously offered to all households in the Parish, and most households have joined it.

- To enhance road safety the Council continues to employ a contractor to twice a year cut the grass highway verges in the lanes in the Parish outside the centre of the village, and for this road work Shropshire Council awards a grant to meet half the cost.

- Banking arrangements with statements & correspondence are under the control of the Responsible Finance Officer (RFO), who is also the Clerk to the Council. There were two changes of Members of the Council as a result of the Local Elections in May 2021. Arrangements are reaching completion to remove the two ex-Councillors as signatures of the Council’s bank accounts and adding the two new Councillors to the list of signatories. This will make all five Councillors and the RFO signatories.

- Council retain sufficient general reserves of funds, including some in a second account to meet contingencies. In accordance with auditorial general guidance the Council has ensured that general reserves are not excessive, and no more than double the precept.

- Under the current terms of banking at Barclays Bank the Council only uses cash or cheques in transactions as it is unable to have a bank card because Barclays do not provide cards where two signatories are required on cheques.

- Regular bank and cash reconciliations with separate checks on accounts takes place during the year. In addition to the RFO ensuring bank accounts and petty cash at all times, an independent check by a nominated Councillor will be conducted on 15th September 2021.

- Standing Orders which incorporate important Financial Regulations, are reviewed annually as are procedures and policies, such as those to comply with Data Protection Regulations.

- Where a situation arises that is not covered by Council procedures and practices where necessary, guidance will be sought by referral to model standing orders and policies of the National Association of Local Councils (NALC)

- Following the lifting of Pandemic Regulations face-to-face meetings of Council resumed in May 2021, subject to continuing any advisory Covid 19 prevention measures.

- A contract continues with the Numbers Plus Telephone system for use in the AED (defibrillator) Scheme. The list of volunteers has recently been revisited and Numbers Plus informed of changes.

- The Proper Officer (Clerk to the Council) ensures that Council complies with the Smaller Local Authorities (Transparency Requirements) Regulations, and that all appropriate data is displayed on the Council’s web site,

3. Areas where there may be a need to self-manage risk.

Council’s internal and other controls include:

* Regular scrutiny of financial records by the RFO, and proper arrangements for approval of expenditure, which includes payments of the Clerk’s salary, expenses and Income to HMRC, that are all paid quarterly.
* Due to the low amounts involved refunds of VAT are only claimed every two years. The next claim will be for the period 1/4/20 to 31/3/22.
* Minutes of meetings are properly numbered with the Clerk keeping both a paper master copy and one in the Badger PC computer folder.
* Any changes in Law & Regulations reported by NALC affecting the running of the Council are promptly implemented.
* Proper procedures are conducted to record and monitor Member’s interests in the attendance book and in the minutes of Council meetings.
* The Clerk ensures that where relevant the Data Protection Regulations are correctly followed.
* An appropriate system of recording and handling enquiries is in place, which includes a book of written reports of issue of any consequence, conducted by telephone, and files of matters needing to be retained in the computer folder for Badger Parish Council.
* For prosperity, historical records of Council activities are stored at Shropshire Archives.
* At the beginning of 2021, the company ALVC prepared a new web site for the Council which has much improved access and increased the amount of information made available for the pubic benefit. ALVC has produced a user guide that supports the Council in controlling the contents on the web site, advises as necessary on the maintenance of the site, and ensures the appropriate annual web site fees are timeously met.
1. CONCLUSION

Council is asked to consider this report, take any action for perceived omissions, and confirm this Review has adequately assessed that risks, financial, physical and environmental are being satisfactorily managed.

David Voysey

Responsible Finance Officer 3rd September 2021