

Lostock Gralam Parish Council RISK ASSESSMENT

Table 1 Area where there may be scope to use insurance to help manage risk	
<p>Risk Identification Insurance cover for risk is the most common approach to certain types of inherent risks:</p> <p>The protection of physical assets owned by the council – buildings, furniture, equipment, etc. (loss or damage)</p> <p>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)</p> <p>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)</p> <p>Legal liability as a consequence of asset ownership (public liability)</p>	<p>Council's response Comprehensive insurance is in place with Zurich.</p> <p>These items are covered.</p> <p>Public liability insurance cover of £12,000,000</p> <p>Fidelity cover for £250,000 Reviewed at appropriate times in the year.</p> <p>As above</p>
<p>Internal controls</p> <p>A council's internal controls may include: An up-to-date register of assets and investments</p> <p>Regular maintenance arrangements for physical assets</p> <p>Annual review of risk and adequacy of cover</p> <p>Ensuring the robustness of insurance providers</p>	<p>Council's response</p> <p>Yes, reviewed annually.</p> <p>Quarterly Operation Play Inspections by a qualified inspector and an annual Play Inspection by ROSPA.</p> <p>Use insurance recommended by organisations such as NALC/ChALC</p>
<p>Internal audit assurance</p> <p>Internal audit testing may include:</p> <p>Review of internal controls in place and their documentation</p> <p>Review of management arrangements regarding insurance cover</p> <p>Testing of specific internal controls and reporting findings to management</p>	<p>Council's response</p> <p>This is covered by general management arrangements with a financial calendar with reports to the Council.</p> <p>Compliance with Standing Orders</p>
Table 2	

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

Risk Identification	Council's response
<p>The limited nature of internal resources in most local councils means that councils wishing to provide services often buy them in from specialist external bodies, e.g.</p> <p>Maintenance for vulnerable buildings, amenities or equipment</p> <p>The provision of services being carried out under agency/partnership agreements with principal authorities</p> <p>Banking arrangements, including borrowing or lending</p> <p>Ad hoc provision of amenities/facilities for events to local community groups</p> <p>Markets management</p> <p>Vehicle or equipment lease or hire</p> <p>Trading units (leisure centres, playing fields, burial grounds, etc.)</p> <p>Professional services (planning, architects, accountancy, design etc.)</p>	<p>None</p> <p>None</p> <p>Present banking arrangements with Lloyds.</p> <p>N/A</p>
<p>Internal controls</p> <p>A council's internal controls may include:</p> <p>Standing orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment.</p> <p>Regular reporting on performance by suppliers, providers and contractors</p> <p>Annual review of contracts, and supplier (procurement) fraud.</p> <p>Clear statements of management responsibility for each service.</p>	<p>Council's response</p> <p>In place, reviewed annually or if a change of circumstances occurs.</p> <p>LGPC activities are not on such a regular basis to require such controls. Individual projects have controls in place.</p> <p>Only reputable supplier quotes will be considered with three quotes being preferred. Supplier payments will only made to the company (trading) name, for online payments the bank account number and sort code will be checked before payment is made. The Clerk will check insurance, gain reviews from other customers and where possible visit passed work completed, before onboarding a supplier. The supplier financial position may be considered for contracts over £5,000.</p> <p>Members are also required to declare any interests.</p> <p>Quotes and tenders are not shared before the closing date of the tender process.</p>

<p>Regular scrutiny of performance against targets Adoption of and adherence to codes of practice for procurement and investment</p> <p>Arrangements to detect and deter fraud and/or corruption</p> <p>Regular bank reconciliations, independently reviewed</p>	<p>Invoices are subject to scrutiny by both the RFO and cheque signatories who are councillors.</p> <p>Internal and External Audits carried out</p> <p>Regular budget to actual and bank reconciliation checks are in place.</p>
<p>Internal audit assurance Internal audit testing may include:</p> <p>Review of internal controls in place and their documentation.</p> <p>Review of minutes to ensure legal powers are available, and the basis of the powers recorded and correctly applied</p> <p>Review and testing of arrangements to prevent and detect fraud and corruption</p> <p>Review of adequacy of insurance cover provided by suppliers</p> <p>Testing of specific internal controls and reporting findings to management</p>	<p>Council's response</p> <p>A comprehensive internal audit is provided by JDH Ltd.</p> <p>This is done on an individual basis because of small number of projects undertaken.</p>
<p>Table 3 Areas where there may be a need to self-manage</p>	
<p>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.</p> <p>Keeping proper financial records in accordance with statutory requirements</p> <p>Ensuring all business activities are within legal powers applicable to local councils</p> <p>Complying with restrictions on borrowing</p> <p>Ensuring that all requirements are met under employment law and Inland Revenue regulations</p> <p>Ensuring all requirements are met under Customs and Excise regulations (especially VAT)</p> <p>Ensuring the adequacy of the annual precept</p>	<p>Council's response Council has a management plan in place</p> <p>Done</p> <p>Done and checked on internal audit</p> <p>No current borrowing</p> <p>Professional advice taken where necessary</p> <p>Check done with Accountant and internal audit</p> <p>Part of the budgeting is checked on internal</p>

within sound budgeting arrangements	audit
Monitoring of performance against agreed standards under partnership agreements	N/A
Ensuring the proper use of funds granted to local community bodies under specific powers or under section 137	Internal audit process checks this item.
Proper, timely and accurate reporting of council business in the minutes	Done
Responding to electors wishing to exercise their rights of inspection	Done
Meeting the laid down timetables when responding to consultation invitation	Clerk responsible for compliance and council calendar.
Meeting the requirements for Quality parish status or other accreditation Proper document control	
Register of members' interests and gifts and hospitality in place, complete, accurate and up to date	In place and revised annually

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

Internal controls	Council's response
<p>A council's internal controls may include: Regular scrutiny of financial records and proper arrangements for the approval of expenditure Recording in the minutes the precise powers under which expenditure is being approved 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 Regular returns of VAT; training the responsible officer in matters of VAT and other taxation issues as necessary Regular budget monitoring statements</p>	<p>These items are covered by regular calendar of meetings, financial calendar, management system, attendance on courses so members of staff and councillors keep up to date.</p>
<p>Developing systems of performance measurement Procedures for dealing with and monitoring grants or loans made or received Minutes properly numbered and paginated with master copy kept in safekeeping Documented procedures to deal with enquiries from the public Documented procedures to deal with responses to consultation requests Monitoring arrangements by the council regarding</p>	<p>In place</p> <p>Done</p> <p>N/A</p>

<p>Quality Council status Documented procedures for document receipt, circulation, response, handling and filing Procedures in place for recording and monitoring members' interests and gifts and hospitality received</p> <p>Adoption of codes of conduct for members and employees.</p> <p>Ensure that the Parish Council meet the requirements of The Pension Regulator.</p>	<p>Part of Code of Conduct In place</p> <p>The Parish Council has enrolled with The Pension Regulator and has met all current automatic enrolment duties.</p>
<p>Internal audit assurance Internal audit testing may include: Review of internal controls in place and their documentation Review of minutes to ensure legal powers in place, recorded and correctly applied. Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements etc. including petty cash transactions Review and testing of arrangements to prevent and detect fraud and corruption Testing of disclosures Testing of specific internal controls and reporting findings to management</p>	<p>Council's response These are part of the management process, covered by the Financial Calendar and the Internal Audit process.</p> <p>Committees and Council carry out monitoring procedures</p>
<p>Business continuity and disaster recovery Where data is stored</p> <p>Provision the Council has made should data be compromised</p> <p>Where does the Council keep key passwords and access information such as HMRC log on and passwords</p> <p>Protection of digital information held on the Parish Council laptop.</p> <p>How would any costs of recovery be paid</p>	<p>Council's response Paper records are stored in the Council office</p> <p>Electronic data is stored on the main computer and backed up on the Cloud. In the event of paper records being destroyed there is sufficient information stored as above in order to reconstruct files and to identify sources of information necessary to deal with the reconstruction process.</p> <p>A fireproof safe is stored at the Clerk's house.</p> <p>McAfee total protection subscription and use of Secure VPN, Antivirus, ID Protection, Tracker remover</p> <p>The Council's insurance cover includes an item for increased cost of working. Any additional costs would be capable of being used from reserves.</p>

Approved by Council March 2025

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Chairman of Lostock Gralam Parish Council

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Clerk of Lostock Gralam Parish Council