

MATTERDALE PARISH COUNCIL

Parish Clerk: Nick Phillips, 14 Twickenham Court, Carlisle CA1 3TW

Tel: 0750 800 1602 Email: MatterdaleParishClerk@gmail.com

www.matterdaleparishcouncil.org

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SUMMARY OF RISK ASSESSMENT & INTERNAL AUDIT REPORT

In order to manage risk the Council carried out the annual assessment of risk at a Council meeting on 8 January 2024.

It is incumbent upon all authorities to assess and have strategies to manage the risks that are identified as potential sources of danger/loss within the Council and then to insure or have systems in place to minimise the liabilities.

The main risks attaching to the Council relate to its position as an Employer, Property and Land owner and holder of monies precepted on the Unitary Authority or received in the form of grants or monies received from third parties. The Council has insured against the insurable risks to an appropriate level and these are index linked for assets and periodically reviewed.

Employer: The Council employs only one member of staff – the Clerk who works from home. The council holds employers liability insurance in the sum of £10m. Accident cover is provided for all Members and the Clerk whilst carrying out their respective roles.

Land and Property: The Council owns a number of Community assets which potentially place a liability on the council for the safety and wellbeing of the public whilst using these assets. The council holds public liability cover in the sum of £12m. In addition the individual assets are insured comprehensively against fire, theft and other perils to the sums indicated, Insurances are index linked and are periodically reviewed and reported upon to council.

Property Assets

Nil

Community Assets

The Troutbeck Land

The Rushmire Land

The recreation field

Dockray Village Green

Binks Moss Turbary Ground

High Row Green

Village Seats - (8)

Village Noticeboards (6) -

Office Assets

Nil

Contracts: A potential area of risk is in the issuing of contracts. The major service contract is the grass cutting contract for Dockray Village Green and associated areas as well as the

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issuing of Grazing Agreements. The Grass cutting contract will be advertised in 2023 with a one year contract (with an option to extend to 4 years) being awarded in 2024. Grazing agreements are currently advertised on an annual basis.

Other contracts are generally unplanned responsive repairs and maintenance to community assets. These are often of small value and requiring an early response. For this reason Council rely on the response of known local tradesmen who can provide a timely and effective response. Where practical at least two quotes are obtained and a quotation is obtained in every instance.

Clerk: As their sole employee much of the risk carried by the Council is embodied in the position of the clerk. The clerk works from home and uses a computer to undertake the work of the council. The Council now has a comprehensive file of Policies and Procedures that must be adhered to by both the Clerk and Members to mitigate risks.

In the event of the short/long term unavailability of the clerk it may be possible to arrange temporary cover from a neighbouring parish or through CALC pending a more permanent solution.

Financial Safeguards:

The Financial Regulations are reviewed on an annual basis in January.

OVERALL SYSTEMS AND PROCEDURES

- The Council formally adopts a set of Financial Regulations and Standing Orders annually in May and they are uploaded on to the Council website.
- The Council has a Responsible Financial Officer being the Clerk who is appropriately qualified.
- The Council has an appointed parish councillor (Councillor Firth) to check financial details and the bank reconciliation before every meeting. The Bank Reconciliation is submitted to every meeting in the meeting pack and formally approved as an agenda item.
- The Council has an internal Auditor who is a qualified accountant.
- The Council reviews the effectiveness of its' systems and procedures annually. This is done every May when the Council approves the Annual Accounts for the previous year. The Clerk reads through the Governance Statement for agreement for approval before the accounts are approved.

FINANCIAL RECORDS

- The Cash Book is regularly maintained and updated throughout the year. *Monthly* accounts will also be presented to members for approval.
- The Cash Book arithmetic is reconciled and confirmed by the bank reconciliation.

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- All other financial records are checked regularly. Members are issued with copies of the Schedule of Payments and Bank Reconciliation at each meeting. Accounts are issued at every meeting. The annual accounts are presented at the May meeting following inspection and approval by the Internal Auditor. All paperwork is uploaded on to the website.
- Payments in the cashbook are supported by invoices, authorised and minuted. A Schedule of Payments is presented to the members at each meeting, together with the invoices and following approval of the council the Schedule is signed and dated by the chair. The approved Schedule is noted in the minutes.
- Income is properly recorded and promptly banked.
- All income is noted on the agenda papers and recorded in the minutes.
- Councillors are kept aware of balances as they are issued with the monthly reconciliation and monthly accounts.
- All payments are approved by the Council. The payments are posted on the notice boards and agenda papers in advance. Payments are formally proposed and seconded and then approved before payment is authorised.
- All cheques, where used, are signed and counterfoils initialled by two authorised councillors. The Clerk is not a signatory.
- All electronic payments are prepared by the Clerk and then authorised at the meeting following approval of the Schedule of Payments.
- Actual expenditure against the budget is regularly reported to the council through the issue of monthly accounts
- No petty cash is held by the clerk or Members.
- Security controls over cash and near-cash are adequate and effective. No cash is held. Cheque books are stored in a safe at the Clerks home
- VAT on payments is identified, recorded and reclaimed on a regular basis
- S137 expenditure is separately recorded and within statutory limits.
- Where appropriate, debtors and creditors have been properly recorded.

PROVISION OF GOODS AND SERVICES

- All items are competitively purchased. Standing orders stipulate that at least three quotations must be sought.
- An audit trail from underlying financial records to the accounts is in place and checked by the Internal Auditor
- All capital works is administered in accordance with the Council's standing orders and financial regulations relating to contracts. No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.

RISK MANAGEMENT

- Council minutes record the council carrying out an annual risk assessment.
- Insurance cover is appropriate and adequate and regularly reviewed by the RFO.

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PRECEPT & BUDGETARY CONTROLS

- The council prepares an annual budget based upon anticipated income and expenditure including the use of reserves and all sources of funding for the year in support of its precept. The budget cycle is started in September with a view to being approved at the November meeting to levy a Precept for the next financial year. The council has until the end of December annually to agree a Precept.
- The annual budgets form the basis of financial control for the ensuing year.
- Unexplained variances from budget are explained following submission of the accounts for approval
- The precept recorded is checked so that it agrees to the Council Tax authority's notification
- The RFO/Clerk issues the precept to the billing authority and shall supply each member with a copy of the approved budget.

STAFFING

- All employees have contracts of employment with clear terms and conditions.
- Salaries paid agree with those approved by the council. The Clerk is paid by electronic payment which is recorded on the Schedule of Payments at each meeting.
- Other payments to employees are approved by the council and paid appropriately.
- PAYE/NIC is properly operated by the council as an employer. The Council is a registered employer with HM Revenue & Customs. The Council contracts the payroll to Cumbria Payroll Services.
- From 1 February 2017 the Council will be registered as a Pension Authority. There will be no employees enrolled currently.

ASSET MANAGEMENT

- The council maintains a register of all material assets owned or in its care.
- The Assets and Investments register is kept up to date and is published on the Council website.

Signed:

Chairman of Parish Council

Dated: