

## **REPORT OF RESPONSIBLE FINANCIAL OFFICER** **FORMAL RISK ASSESSMENT**

### **1      Areas Where There May Be Scope to Use Insurance to Manage Risk**

Areas where there may be scope to use insurance to manage risk, the Council has an annual insurance policy - for 2016/17 this is with Zurich Insurance PLC. This provides for protection of physical assets owned by the Council, such as street furniture – public seats – notice boards – street lighting, which are covered by Property Damage insurance. The policy also includes mandatory cover in relation to public liability, employer's liability, money, and fidelity guarantee and there is also cover for personal accident for the Clerk and Members up to seventy-five years of age and also legal expenses in relation to public liability, employer's liability and money.

In relation to the internal controls the following comments apply:-

- a)      An up to date register of assets is maintained.
- b)      Other than two bank accounts with Lloyds TSB PLC. The Council have no investments.
- c)      Street Lighting, notice boards and seats are inspected on a regular basis, by the Clerk with minor repairs attended to. Street Lighting is also inspected by the Council's Street Lighting Contractor Flintshire County Council and repairs / maintenance undertaken as required in accordance with the Council's maintenance contract. In accordance with Council 's street lighting contract that Flintshire County Council Street Lighting Department recently completed electrical test and inspection of all Council's street lighting assets each year and ensure that all are inspected within a five year rolling program as per the I.E.T Regulations. This will be started again in 2018. The lighting is also structural inspected annually by the Council's Street Lighting Contractor Flintshire County Council to determine which 8 /10 lights should be replaced and adopted.
- d)      That the level of insurance cover for the various sections be reported to Council on an annual basis. Zurich Insurance PLC are a recommended insurers by the National Association of Local Councils and One Voice Wales.

### **2      Areas Where There May be Scope to Work with Others to Help Manage Risk**

There are no borrowing or lending in relation to banking arrangements, no ad hoc provision of amenities / facilities for events of local community groups, no markets management, vehicles of equipment lease or hire, or trading units. In relation to professional services, there is only the required appointment of an Internal Auditor.

### **3      Areas Where There May Be a Need to Self Manage Risk**

The Responsible Officer maintains a receipts and payments register which is used to enter all income and expenditure. The RO also maintains a parallel system in excel.

In addition, as Clerk, he will ensure that any activities undertaken are within legal powers applicable, including employment law, HMRC regulations. The Council do not undertake any borrowings and the determination of the annual precept is the subject of a detailed estimates report to the January Annual Finance Meeting of Council. As there are no partnership agreements, monitoring of performance is not applicable. Applications for financial assistance (Section 137 – Expenditure) have to be in written format within the allocations agreed for local and other organisations.

All payments are required to record the associated spending power.

All deliberations and decisions at a Council meeting are recorded in the minutes, with those minutes then being reported to the next meeting for endorsement as a correct record and sign by the Chair. Electors are free to attend any Council meeting of which public notice is given. Copies of the agenda are also sent to the lead officer on Sealand Resident Associations.

Members of the public are also afforded the rights of inspecting accounts and associated papers in accordance with statutory requirements at the time of external audit. Consultation, whether statutory or optional from other organisations (eg National Assembly for Wales, Flintshire County Council) are reported to the Council to enable consideration of and response by the notified timetable. Members have been issued with Declarations of Interest forms in relation to gifts and hospitality and declare personal interests in the appropriate format at Council meetings, which are then forwarded on to the Monitoring Officer for Flintshire County Council.

In relation to internal controls, the following comments are applicable:-

- a) Financial records are subject to both independent internal and external audit, and the Council approves all expenditure beforehand, or where applicable by the Chairman and Vice-Chairman using agreed delegated powers, eg recess months, and reported to Council at the next meeting for record purposes.
- b) All expenditure, whether it be the accounts for payments, applications for financial assistance, or other items, is properly recorded in the minutes, with the Clerk advising the Council when Section 137 powers have to be utilised, such as with applications for financial assistance.

All payments are required to record the associated spending power.

- c) In view of the relatively small amount of VAT to be reclaimed this is done on an annual basis by the Clerk as Responsible Officer at the end of the financial year.
- d) In addition to a detailed report to the January meeting in relation to estimates to enable the precept for the next financial year to be determined, the Council also receives monthly statement of income and expenditure together with quarterly bank reconciliation reports. The quarterly reports and associated

bank statements are checked and signed by the Vice Chairman.

- e) Performance measurement is not applicable
- f) The Council does not apply for any grants or loans, but if any arise in the future a procedure will be developed.
- g) All minutes are properly numbered, with pages also numbered and signed at the subsequent meeting by the Chairman as a correct record.
- h) Any emails, letters or telephone calls received by the Clerk from the public are responded to within three days and if the matter is required to be reported to Council for a decision, a full response to be given within seven days of that meeting. As appropriate emails received by council be emailed to members of council.
- i) All requests for comments and consultation are reported to the Council, to determine response or to the Chairman and Vice-Chairman in the event of response time being before an available Council meeting and reported to the subsequent Council meeting.
- j) The Clerk is responsible for the receipt of any correspondence, arranging circulation to the Council or specified Members, as appropriate as soon as practical, responding to the issues raised on behalf of the Council and ensuring that the enquiry and response are placed in the appropriate file for future record purposes.
- k) Members have been issued with forms from the Monitoring Officer of Flintshire County Council in relation to gifts and hospitality received and, at each Council meeting the Clerk has available forms to declare personal interests in relation to items under consideration for forwarding on to the Monitoring Officer.
- l) The Council have adopted a Code of Conduct under the Local Government Act 2000 and signed the appropriate declarations with the Statutory Timetable, and also have a Code of Conduct in relation to the Clerk issued by the National Assembly for Wales.

#### **4 Recommendations**

- a) That consideration of this report is accepted as the formal risk assessment for 2017 and that this is again undertaken in December 2017.
- b) That in relation to the key risks, these be identified as relating to the Council's assets, bank accounts, internal controls and insurance cover for statutory and other purposes.
- c) That the arrangements highlighted in items 1a) to 1d) and 3a) to 3l) of this report be accepted as having taken all the appropriate steps to minimise risks

in conjunction with the documented Internal Financial Controls, which are also subject to a report to this meeting of Council.

This Policy was reviewed by Council at its meeting held on Monday 12<sup>th</sup> December 2016..

**P Richmond**  
**Clerk and Responsible Financial Officer**

**December 2016**