



# Penrith Town Council

Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR  
Tel: 01768 899773 Email: townclerk@penrithtowncouncil.co.uk

Date: 3 September 2018

Dear Councillor

You are hereby summoned to attend a meeting of the:

## **FINANCE COMMITTEE**

to be held on:

Monday 10 September 2018 2.00 pm – 4.00 pm Board Room, Penrith  
Town Council Office, Church House.

A handwritten signature in black ink, appearing to read 'V. Tunnadine'.

Mrs V. Tunnadine

## **TOWN CLERK**

*(Please Note: Under the Openness of Local Government Bodies Regulations 2014 this meeting has been advertised as a public meeting and as such could be filmed or recorded by broadcasters, the media or members of the public)*

When it is proposed to consider the following business: -

# **PENRITH TOWN COUNCIL**

## **AGENDA FINANCE COMMITTEE 10 SEPTEMBER 2018**

**2.00 PM – 4.00 PM Board Room, Penrith Town Council Office, Church House.**

### **1. Apologies for absence**

To receive apologies from members.

### **2. Declaration of interests and dispensations**

Members will be asked to disclose their interests in matters to be discussed and to decide requests for dispensations.

### **3. Minutes of the previous meeting**

To authorise the Chairman to sign the Minutes of the Meeting of the Finance Committee held on Monday 11 June 2018 as a true record.

### **4. Public participation**

Members of the public, who have requested in writing to speak prior to the meeting, are invited to speak on matters related to the agenda for up to three minutes.

### **5. Public bodies (admission to meetings) act 1960**

To consider whether any items should be considered without the presence of the press and public, pursuant to the Public Bodies (Admission to Meetings) Act 1960 Section 2.

### **6. Payments for approval**

- a)** To note that all members received prior to the meeting, a copy of the payments schedule for the payment period, every invoice, a copy of the electronic banking system (EBS) transaction history/statement and that all members had therefore verified that each payment aligned with the invoices.
- b)** To note that prior to the meeting the Chairman and Vice-Chairman would access the EBS and would verify and confirm that:
  - i** The banking transactions history runs concurrently from the last meeting and follows the payments schedule for the same period and agrees with the transactions circulated with the meeting documents.
  - ii** The above would be noted and recorded in the minutes, recording the period covered by the bank transaction history and the number, amount of payments made and the period balance.
- c)** To consider a proposed revision to the approval process

### **7. Banking**

- i.** To receive an update on the progress made opening a new current account at the Cumberland Building Society; and
- ii.** To agree the signatories to the account.

### **8. Risk Assessments**

To consider the report and reviewed risk assessments for 2018-19 for:

- Business Continuity
- Finance
- Governance
- IT & Website
- Allotments
- War Memorials
- Cornmarket Bandstand
- Fairhill Playing Field
- Fire Risk Assessment
- Lone Working
- Recycling Bring Site
- Office

Members are asked to approve the recommendation and report associated with item 8 and recommend that these are ratified by Full Council.

## **9. Review of Internal Control, Internal Audit and Internal Audit Plan**

To consider the report and recommendations contained within.

Members are asked to approve the recommendation and report associated with item 9 and recommend that these are ratified by Full Council.

## **10. Policy Review**

To consider amendments to the following:

- a) Risk Management Policy
- b) Financial Risk Management Protocol
- c) Procurement Policy
- d) Internal Control Procedures
- e) Financial Regulations

Members are asked to approve the recommendation and report associated with item 10 and recommend that these are ratified by Full Council.

## **11. Annual Governance and Accountability Return 2017/18**

- a)** To note that the external auditors, PKF Littlejohn, have not yet provided their opinion on the audit for the financial year 2017/18, which will confirm whether they are satisfied that the Town Council's accounts and supporting information supplied are in accordance with proper practices and that relevant legislation and regulatory requirements have been met.
- b)** The audit report is expected during September; if received in time, it will be reported to this meeting, which will be asked to approve it and recommend that the report go forward for final ratification by Full Council.
- c)** To note that the annual return will be published on the Council's noticeboard and its website.

## **12. Budgetary Control Statement: Quarter 1 2018/19**

- a) To consider the first quarter's budgetary control report.
- b) To consider the bank reconciliations for the first quarter.

## **13. Budget Process 2019/20**

To note that the Budget Task and Finish Group will meet informally after the meeting to consider the process and principles to be adopted for the preparation and determination of the 2019/20 budget.

## **14. Eden District Council Signature Projects Fund**

To determine whether the Council wishes to make its own application to the Signature Projects Fund, and to determine whether the Council wishes to be the accountable body for Penrith Football Club to enable an application to be made for stadium improvements.

## **15. Next meeting**

To note that the next Finance Committee Meeting will be held on Monday 12 November 2018 in the Board Room, Penrith Town Council Office, Church House at 2.00 pm.

**For the Attention:** All members of the Penrith Town Council Finance Committee:

Cllr. Kenyon	<b>Chairman</b>
Cllr. Burgin	<b>Vice Chairman</b>
Cllr. Baker	
Cllr. Bowen	
Cllr. Jackson	

**For Information only:** All other members of the Penrith Town Council

### **Councillors**

Cllr. Briggs  
Cllr. Donald  
Cllr. Clark  
Cllr. Lawson  
Cllr. Monk  
Cllr. Whipp



# Penrith Town Council

## FINANCE COMMITTEE 10 September 2018

### REVISED PAYMENTS APPROVAL PROCESS

**AUTHOR:**

**Jack Jones - RFO**

**SUPPORTING MEMBER:**

**Cllr Ron Kenyon**

**ITEM NUMBER: 6c**

### RECOMMENDATION

That the revised process for the approval of payments be approved and implemented at the earliest appropriate date.

### 1. LAW: LINK TO COUNCIL FUNCTIONS

The Local Government Act 1972 requires the Council to have sound financial management.

The Local Audit & Accountability Act 2014 and the Accounts & Audit Regulations 2015 set out specific requirements for internal control and accounting.

### 2. LINKS TO COUNCIL PRIORITIES

A sound payments approval process provides basic assurance for the Council's accounts and its decision-making.

### 3. REPORT

- a. The current process for the approval of invoice payments made by the electronic banking system (EBS) has been reviewed with the intention of making it more efficient, without losing effectiveness or control. Currently some of the controls appear to operate in theory rather than practice, while others are difficult to perform because of the information available from the Council's bankers.
- b. Key points of the proposed procedure are as follows (the first two steps are unchanged):
- The preparation and submission to Lamont Pridmore (LP) of proposed weekly payment schedules, authorised by the Town Clerk, together with the supporting invoices;
  - LP to review all documentation and make all payments electronically;
  - LP to reconcile the Sage accounting system to the bank accounts(s) promptly each month;
  - The RFO/LP to prepare a monthly report of all payments made, which will be sent to all Councillors, with copies of each invoice;
  - Finance Committee to approve and record the monthly report of payments;
  - Two members of Finance Committee to review the monthly bank reconciliation and bank statements, signing each to indicate their satisfaction, which will be recorded in the Committee's minutes.

Fuller details are given in the accompanying reports on proposed changes to the internal control procedures and draft Financial Regulations.

- c. The revised process recognises that, by the time an invoice is presented for payment, the expenditure has generally already been incurred so that payment is unavoidable. Assurance can be gained by:
- payments being made independently by the accountants rather than by Councillors or Officers;
  - Member review of bank reconciliations which ensure the integrity of the payment reports; and
  - all payment information being supplied to all Councillors, to enable them to scrutinise the details.
4. The proposed process complies with the requirements of the Accounts & Audit Regulations and proper accounting practice. The Council's internal auditor has considered the proposed arrangements; she has commented that they are robust and that there would be no problem in their implementation.

## **5. FINANCE IMPLICATIONS**

None

## 6. RISK ASSESSMENT

Risk	Consequence	Controls Required
Unauthorised or inappropriate payments made	Loss of financial resources; potential reputational damage	The proposed approval process provides the required controls

## 7. BACKGROUND PAPERS

Draft Internal Control Procedures and Financial Regulations

Correspondence with Internal Auditor

## 8. OFFICER CONTACT DETAILS

Responsible Finance Officer – Jack Jones

Tel: 01768 425852

Email: [rfo@penrithtowncouncil.co.uk](mailto:rfo@penrithtowncouncil.co.uk)



# Penrith Town Council

**FINANCE COMMITTEE 10 September 2018**

## **RISK ASSESSMENTS**

**AUTHOR: Ian Parker – Services and Contracts Manager**

**ITEM NUMBER: 8**

## **RECOMMENDATIONS**

- I. That the Finance Committee approves the Risk Assessment

### **1. LAW: LINK TO COUNCIL**

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. Risk management is part of the review and when completing The Annual Governance Statement for the external auditor, the Council is confirming the following assertion:

***“Assertion 5: Risk Management***

*We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.”*

To warrant a positive response to this assertion, the Council needs to have the following arrangements in place:

- Identifying and assessing risks. The Council needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.
- Addressing risks. Having identified, assessed and recorded the risks, the Council needs to address them by ensuring that appropriate measures are in place to mitigate and manage

risk which will include the use of internal controls and insurance cover.

## **2. BACKGROUND**

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Town Council to identify all potential inherent risks. The Town Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible.

The risk assessment documents have been produced to enable Penrith Town Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.

The management of risk is included in each report presented to Council/Committees to assist Councillors in their decision making.

The risks are assessed annually unless there are material changes to the law or circumstances that require an immediate review.

As services grow and policies are adopted this schedule will expand. Its purpose is designed to give Councillors confidence that the management of risk is pragmatic and proactive.

## **3. RISK ASSESSMENTS**

The Risk Assessments are included as appendices to this report. The risk assessments are set out as per the Health and Safety Executive (HSE) published format.

## RISK ASSESSMENT

## BUSINESS CONTINUITY

### Risk Evaluation

Hazard	Risk	Rating	Control Measures to be implemented	Additional Action Required (action by whom, by when)
<b>Business Continuity</b> <b>First level</b>	Personnel absence	L	The clerk and officers have access to passwords and codes.  The Council finances outsourced to ensure day to day business can continue.	
	Business effectiveness	L	Staff are aware of the daily, weekly, monthly and annual business priorities and deadlines.	
	Council governance	L	Staff trained for deputising to continue council priorities and statutory requirements.  Accountancy service provides cover	

			Legal services are outsourced	Appointment of Lamont Pridmore – review annually
	IT failure	L	Comprehensive IT support provided by KTD to ensure all data backed up and systems remain current and functioning.  All data backed up 5 times a week.	Appointment of KTD services  Service provision review November 2020

<b>Hazard</b>	<b>Risk</b>	<b>Rating</b>	<b>Control Measures to be implemented</b>	<b>Additional Action Required (action by whom, by when)</b>
	Finance	L	Systems set up to adhere to financial regulations and audit regulations – RFO recruited and outsourced accountancy service	The RFO is supervising this service to ensure the accountancy service meets its obligations under the terms of engagement.

	Staff changes		Continuity reinforced with the provision of contracted out services.	
	Fraud		The Council employs a clerk and an external accountant, and an internal auditor.	
	Inability to maintain systems		Generic systems being installed to allow for multiple users.	
	Loss of data	L	All records maintained and backed up with KTD. Daily manual backups made by Council Officers	
	Communication	L	Dedicated email addresses for Councillors and officers.  Website with email contacts to councillors	
Business Continuity Management	Severe business disruption due to theft, fire, major	L	All areas of the Council risk assessed on at least an annual basis.	

	incident, loss of key personnel		All areas of Council business covered by an appropriate level of insurance.	
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Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire		✓	-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances		✓	HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

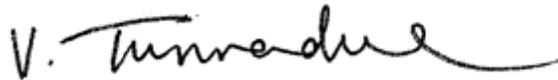
LOW & MEDIUM - ACCEPTABLE RISK WITHIN THE CONTROL MEASURES IDENTIFIED

HIGH- UNACCEPTABLE RISK, INTRODUCE ADDITIONAL CONTROL MEASURES

**Name:** V Tunnadine    **Job Title:** Town Clerk **Date:** September 2018

**Review Date:** September 2019

**Signature:**

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# RISK ASSESSMENT

# FINANCE

			Risk Evaluation	
Hazard	Risk	Rating	Existing Control Measures	Additional Action Required (action by whom, by when)
<b>Insurance</b>	Inadequate general insurance - Risks to Employees, Third Parties, Property, or Individuals	L	<p>Insurances in place.</p> <p><b>Third Party Risks:</b></p> <p>Insurance cover in place - reviewed annually, or as needed.</p> <p>Public Liability (statutory)- Continue existing cover (£5m)</p> <p>Employers Liability (statutory)- Continue existing cover (£10m)</p> <p>Personal Accident.</p> <p>Amend annual cover when required and council business expands.</p>	<p><b>Maintain Asset Register as assets are transferred.</b></p> <p><b>Update insurance cover as assets are transferred.</b></p> <p><b>Update employee insurances for changes in staff numbers, payroll.</b></p>
	Inadequate property insurance	L	The Council's assets are reviewed regularly; revised values forwarded to the insurers	<b>Ensure that the asset register is compliant with proper accounting</b>

			and included in the insurance stock inventory.	<b>practice, recording assets more than £500 in value.</b>  <b>All relevant purchases more than £100 are recorded on the insurance inventory.</b>
	Inadequate officials' indemnity	L	Adequate cover in place.	
	Inadequate libel & slander cover	L	Adequate cover in place.	
	Insurance does not cover asset ownership (eg play area)	L	Insurances in place for allotments.	
<b>Hazard</b>	<b>Risk</b>	<b>Rating</b>	<b>Existing Control Measures</b>	<b>Additional Action Required (action by whom, by when)</b>
<b>Payroll</b>	Loss of data on PC due to system/equipment failure	L	Backed up daily and ongoing maintenance agreement with KTD.	

			<p>Council regularly obtains up to date versions of programmes via Microsoft office 360.</p> <p>Payroll contracted out – duplicate payment details and summaries stored on two different servers.</p>	
<b>Employees</b>	Loss of services of employee	L	<p>Immediately advertise any vacancy (if permanent loss) and request help from remaining accountancy service and locums to cover temporary loss.</p> <p>Team briefings allow all members of staff to be aware of other members’ roles and projects.</p>	
<b>Finance</b>	Funds not held securely	L	<p>Financial Regulations and Scheme of Delegation identify responsibilities for finance, which are reviewed annually.</p>	<b>Develop an appropriate Investment Policy.</b>

			<p>Independent review of bank reconciliation/investment statements.</p> <p>Funds not required immediately are held on deposit.</p> <p>Investment counterparties approved by Council.</p> <p>Employee dishonesty insurance in place.</p>	
<b>Payments</b>	Insecure payment arrangements	L	<p>Payments approved in accordance with Financial Regulations and approved procedures.</p> <p>Electronic payments restricted to external accountants.</p> <p>Procedures specify approved payment processes.</p>	

			<p>All Councillors receive a schedule of payments made and a copy of each invoice.</p> <p>Funds not required immediately are held on deposit.</p>	
<b>Cash</b>	Loss of cash through theft or dishonesty	L	<p>All accounts reconciled in accordance with Financial Regulations.</p> <p>Receipts issued for all income.</p> <p>Cash is secured in safe prior to banking.</p> <p>Bank reconciliation, invoices and payments verified.</p> <p>Employee dishonesty insurance in place.</p>	

<p><b>Compliance with HM Customs &amp; Excise VAT Regulations</b></p>	<p>Failure to reclaim all eligible VAT</p>	<p>L</p>	<p>VAT invoices/receipts obtained for all relevant purchases.</p> <p>External accountants familiar with Regulations and oversee all aspects of compliance.</p> <p>VAT claims prepared and properly administered by the external accountants.</p> <p>Internal and External Auditor provide check.</p>	
<p><b>Compliance with Inland Revenue requirements</b></p>	<p>Failure to comply with statutory requirements for income tax, national insurance</p>	<p>L</p>	<p>External accountants prepare payroll, are familiar with Regulations and ensure all aspects of compliance.</p> <p>Internal and External Auditor provide check.</p>	

<p><b>Employer Liability</b></p>	<p>Failure to comply with Employment Law</p>	<p>L</p>	<p>Regular Information updates from CALC, SLCC re: H&amp;SE</p> <p>All staff, volunteers and members have individual staff files containing a contract, written, job description, next of kin details, sickness and training log.</p> <p>Staff annual appraisal system established.</p>	
<p><b>Staff Cover</b></p>	<p>Inability to deliver effective Council services</p> <p>No Staff cover in place for Town Clerk's absence</p>	<p>L</p>	<p>External accountants provide resilience, enabling the Council's financial obligations to continue in the absence of the Town Clerk.</p> <p>RFO in post to provide support.</p>	
<p><b>Expenditure</b></p>	<p>Unlawful expenditure</p>	<p>L</p>	<p>Continue to ensure that all expenditure is within legal powers, recording the powers and functions.</p>	

<p><b>Budgets and financial planning</b></p>	<p>Inadequate/unrealistic annual budget</p>	<p>L</p>	<p>Budget preparation commences in Autumn.</p> <p>Priorities reviewed, identified and resolved in November.</p> <p>Half year report review – virement if required with supporting resolutions.</p> <p>All officers involved in budget process, ensuring reality check.</p> <p>Detailed budgets, with breakdown to be submitted by November.</p> <p>Precept figure considered in November, confirmed in December/January.</p>	

		Budget and precept calculated in correct manner and notified to Eden DC.	
Inadequate monitoring of financial performance, with potential for overspending	L	Officers aware of detailed budgets and their authority to spend.  Regular budget monitoring reports considered by Finance Committee.	<b>Review budget monitoring reports.</b>
Expenditure plans over-commit or exceed available resources	L	Budget process includes a realistic multi-year forward forecast.	
Reserves are inadequate or used inappropriately	L	Multi-year forecasts support the establishment of an appropriate target level for reserves.  Awareness that reserves should not be used in a way that creates over-commitments.	<b>Develop an appropriate Reserves Policy.</b>

<b>Accounting</b>	Non-standard and/or non-compliant records kept	L	<p>Knowledge of accounting requirements and proper practice.</p> <p>Maintenance of adequate, complete financial records and accounts.</p>	
	Non-compliance with statutory processes for the completion/approval/submission of accounts and other financial returns	L	Ensure that all accounts and returns are completed correctly and submitted by their deadlines.	
	Non-compliance with internal audit requirements; internal auditor not capable to deliver requirements	L	<p>Knowledge of Accounts and Audit Regulations.</p> <p>Formal appointment of internal auditor with agreed brief.</p> <p>Annual review of the effectiveness of the internal audit arrangements and the</p>	

			Council's system of internal control.	
<b>Section 137</b>	Failure to ensure correct use of enabling legislation	L	<p>Legal powers for expenditure identified.</p> <p>All Section 137 expenditure recorded separately.</p> <p>Total expenditure does not exceed limits.</p>	
<b>Contracts</b>	Inability to obtain value for money coupled with continuity of work	L	<p>Tenders obtained in accordance with Value for Money and Procurement Policy.</p> <p>Tenders promote competitive responses.</p> <p>Accurate specification of work to be delivered.</p>	

			Contract terms and conditions protect the Council's interests.	
	Inadequate performance from contractor	L	<p>Contract documentation contains effective default and remedy clauses.</p> <p>Regular monitoring of contract activity.</p> <p>Early contact with contractor to seek resolution of issues.</p> <p>Awareness of routes available to escalate problems.</p>	
<b>Assets</b>	Assets not recognised, maintained or covered for risks	L	<p><b>Asset Register:</b></p> <p>Document updated at least annually, each March, and on each occasion that any changes are made to the Council's asset base.</p>	

			<p><b>Insurances:</b></p> <p>Insurance levels reviewed bi-annually.</p> <p>Cover obtained for new items, as necessary during the year.</p> <p>Funds set aside annually towards capital replacement costs.</p>	
<b>General Liabilities</b>	Failure to recognise liabilities or to provide for compliance with requirements		Regular updates from CALC and SLCC.	
<b>System of Internal Control</b>	The Council does not comply with The Accounts and Audit (England) Regulations 2015, leading to potential risk of inappropriate actions or challenge.		<p>The Council reviews, at least once a year, the effectiveness of its system of internal control, which includes its arrangements for the management of risk.</p> <p>This review is part of the assurance process in the</p>	

accountability of Councillors; it is approved and minuted accordingly.

The RFO is responsible for designing and implementing the accounting arrangements to assure Councillors that finances are being properly managed.

Risk assessments are documented and approved; where necessary internal controls are implemented to mitigate the identified risks.

Each area of the Council's business is risk assessed at least annually.

PTC will have a variety of control systems to achieve these objectives, including:

- Standing Orders and Financial Regulations;

			<ul style="list-style-type: none"> <li>• training to ensure competence in carrying out council functions;</li> <li>• Segregation of duties to remove the opportunity for fraud or error by an individual;</li> <li>• Manual checks and reconciliations for detecting errors;</li> <li>• Security and back up protocols for computer systems;</li> <li>• Approval of all payments;</li> <li>• Regular budget monitoring reports; and</li> <li>• Adequate insurance cover.</li> </ul>	
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Does any of the following apply to this risk assessment. If so then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire		✓	-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders

			HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances		✓	HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

**LOW & MEDIUM - ACCEPTABLE RISK WITHIN THE CONTROL MEASURES IDENTIFIED**

**HIGH- UNACCEPTABLE RISK, INTRODUCE ADDITIONAL CONTROL MEASURES**

**Name:** V Tunnadine    **Job Title:** Town Clerk **Date:** September 2018

**Review Date:** September 2019

**Signature:** 

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Proper & timely notification a meeting via the Agenda	Not meeting statutory requirements	<ul style="list-style-type: none"> <li>▪ Signed agenda is sent to members 3 clear days prior to the meeting.</li> <li>▪ Signed agenda displayed for the public 3 days prior to the meeting on the website and noticeboards.</li> <li>▪ All meeting dates are published on the Notice Board and website.</li> </ul>	None	VT	Ongoing	
Proper & timely notification a meeting via the Minutes	Not meeting statutory requirements	<ul style="list-style-type: none"> <li>▪ Approved minutes of every Council meeting published following ratification on the website.</li> <li>▪ Minutes are made available to Press and Public.</li> <li>▪ Council has a publication scheme which is displayed on the Council’s website.</li> </ul>	None	VT	Ongoing	
Legal Liability	Loss of Legal documents.	<ul style="list-style-type: none"> <li>▪ Originals of leases and legal documents held in Council office in a fire proof cabinet.</li> <li>▪ Financial records held in fire proof cabinet.</li> <li>▪ All back up documents updated daily, with individual files being updated as appropriate.</li> </ul>	Legal documents to be stored with Burnett’s Solicitors	VV, IP	As required	
Register of Interests & Gifts / Hospitality	Employee impropriety	<ul style="list-style-type: none"> <li>▪ Employees complete and sign declaration of interests – updated as necessary.</li> <li>▪ Employees declaration of a gift/hospitality registered.</li> <li>▪ Hard copies in staff file.</li> </ul>	None	VT, RR	As required	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Register of Pecuniary Interests  Register of Gifts / Hospitality	Councillor impropriety	<ul style="list-style-type: none"> <li>▪ All Cllrs complete and sign declaration of interests – updated as necessary.</li> <li>▪ Declarations called for at each Council meeting</li> <li>▪ Register of pecuniary interests held on file.</li> <li>▪ Councillors declaration of a gift/hospitality registered and Monitoring Officer at EDC (MO) informed.</li> <li>▪ Hard copy in Councillors file.</li> </ul>	None	VT, RR	Ongoing	
Code of Conduct	Breach of the Code	<ul style="list-style-type: none"> <li>▪ Council adopted the current Model Code of Conduct</li> <li>▪ All councillors invited to attend Code of Conduct training</li> <li>▪ Standing Orders are reviewed annually.</li> </ul>	None	VT, RR	Ongoing	
Dispensations	Illegal involvement in decision making	<ul style="list-style-type: none"> <li>▪ Dispensation register maintained</li> <li>▪ Dispensation pro forma for councillor completion available on request</li> <li>▪ All Councillors received guidance on applying for dispensation.</li> </ul>	None	VT, RR	Ongoing	
Councillor Attendance	Failure to meet the attendance requirements	<ul style="list-style-type: none"> <li>▪ An attendance register is maintained recording the councillor’s apologies</li> </ul>	None	VT, RR	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Proper Documents	Non-compliance	<ul style="list-style-type: none"> <li>▪ The Standing Orders, Financial Regulations, delegation scheme, terms of reference for Committees, asset register, insurance cover, complaints procedure, publication scheme, press and media policy and schedule of meetings are reviewed annually or when required.</li> <li>▪ Policies and procedures are reviewed as required.</li> <li>▪ New policies and procedures will be adopted annually at the Annual Town Council Meeting.</li> </ul>	None	VT, RR	Ongoing	

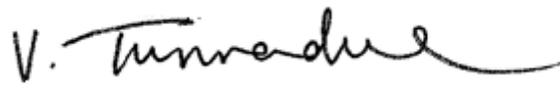
Does any of the following apply to this risk assessment. If so then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire		✓	-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work

Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances		✓	HSE – Working with Substances Hazardous to Health COSHH
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Vibration		✓	HSE – Control Body Pain from Vibration

**Name:** V Tunnadine    **Job Title:** Town Clerk **Date:** September 2018

**Review Date:** September 2019

**Signature:** 

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Computing	Staff, Members  Loss arising from theft/misappropriation	<ul style="list-style-type: none"> <li>▪ The offices are kept locked when not in use.</li> <li>▪ The building is locked when not in use</li> </ul>	None	All	Ongoing	
Physical	Staff  Repetitive strain injury	<ul style="list-style-type: none"> <li>▪ VDU assessments will be carried out annually for all users</li> </ul>	Undertake VDU Assessments	All	Dec 18	
Data	Staff, Members  Loss of data / crash of IT System	<ul style="list-style-type: none"> <li>▪ Data is backed up daily onto server</li> <li>▪ Equipment is properly maintained</li> <li>▪ Access is restricted to authorised users</li> <li>▪ Only approved software is used.</li> </ul>	None	All	Ongoing	
Technical	Staff, Members  Poor / faulty office furniture defective electrical / machinery	<ul style="list-style-type: none"> <li>▪ IT Maintenance agreement / contract is in place to ensure business sustainability.</li> <li>▪ Access is restricted to qualified personnel only. Regular inspections carried out to ensure that any statutory obligations are met.</li> </ul>	None	VT	Ongoing	
Business Sustainability	Staff, Members, Public  Inadequate budget provision	<ul style="list-style-type: none"> <li>▪ Ensure service requirement included in annual budgetary process for servicing, repair and replacement.</li> </ul>	None	JJ	Ongoing	
Website	Staff, Members, Public  Loss of data. Inability to access backup.	<ul style="list-style-type: none"> <li>▪ Ensure that a backup copy of web content is held to maintenance provider and is updated monthly.</li> </ul>	None	All	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Data	Staff, Members, Public,  Non-Conformance with the Data Protection Act	<ul style="list-style-type: none"> <li>Where posting information to website, or storing personal information, ensure that permission is in place and the eight principles of data protection have been followed: The data must be; fairly and lawfully processed; processed for limited purposes; adequate, relevant and not excessive; accurate; not kept longer than necessary; processed in accordance with the data subject's rights; secure; and not transferred to countries without adequate protection. Ensure that all involved are aware of the risks involved when publishing information regarding individuals or groups of individuals.</li> </ul>	None	All	Ongoing	
Legal	Staff, Members  Risk arising from use of unlicensed software	<ul style="list-style-type: none"> <li>The IT provider ensures that only properly licensed software is used and maintained.</li> </ul>	None	All	Ongoing	
URL	Staff, Members  Ownership and control of Universal Resource locator	<ul style="list-style-type: none"> <li>Hosting charges and domain renewal charges will be met.</li> </ul>	None	All	Ongoing	
FOI	Staff, Members  Non-compliance	<ul style="list-style-type: none"> <li>All information is declared in the Council's model publication scheme.</li> </ul>	None	All	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Sustainability	Staff, Members  Over-dependence upon an individual	<ul style="list-style-type: none"> <li>After training more than 2 people will have the necessary ability and passwords to undertake all the website activity providing training where necessary.</li> </ul>	Continue to review	All	Ongoing	
Credibility	Staff, Members, Public  Poor reputation of Council arising from poor design appearance of web site.	<ul style="list-style-type: none"> <li>Design is undertaken by suitably qualified and experienced operators.</li> </ul>	Continue to monitor the web content	All	Ongoing	
Inadequate control of website	Staff, Members  Inappropriate or inaccurate information.	<ul style="list-style-type: none"> <li>Populated by Town Clerk and officers on a regular basis to ensure the site is up to date and current.</li> </ul>	Continue to monitor the web content	All	Ongoing	

Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

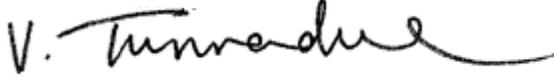
Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment  HSE – Electrical Safety and You
Fire		✓	-

Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances		✓	HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment	✓		HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

**Name:** V Tunnadine **Job Title:** Town Clerk

**Date:** September 2018

**Review Date:** September 2019

**Signature:** 

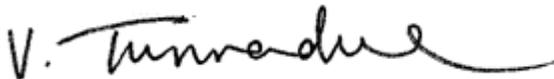
RISK ASSESSMENT			ALLOTMENTS		
RISK EVALUATION					
Hazard	Risk	Initial Rating L, M, H	Existing Control Measures	Final Rating L, M, H	Additional Action Required (action by whom and completion date – use separate Action Plan if necessary)
ALL  See attached	All risks	L	<ul style="list-style-type: none"> <li>The sites are managed by an allotment association.</li> <li>Town Council to conduct annual inspections at all sites to check for all health and safety matters and to ensure that items such as fencing, sheds etc are in good condition.</li> <li>The Allotment Associations is responsible for the day to day management of all allotment sites</li> <li>PPA carry out risk assessments and regular site checks.</li> <li>Tenants report any defects that may affect health and safety of tenants/public to the PPA committee who are responsible for remedying defects or reporting them to the Town Council</li> <li>Tenancy agreement covers health and safety matters.</li> </ul>	L	<p>Development of devolution reserves for asset maintenance.</p> <p>Consider provision of annual grant to PAA to repair walls, trim hedges, repair paths etc.</p>

**LOW & MEDIUM - ACCEPTABLE RISK WITHIN THE CONTROL MEASURES IDENTIFIED**

**HIGH- UNACCEPTABLE RISK, INTRODUCE ADDITIONAL CONTROL MEASURES**

**Name:** V Tunnadine **Job Title:** Town Clerk **Date:** September 2018

**Review Date:** September 2019

**Signature:** 

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Entering and Exiting the Site	Allotment holders, contractors and public injured if coming in to contact with moving vehicles, plant, overgrown vegetation.	<ul style="list-style-type: none"> <li>▪ There is low volume of traffic, gates in place, and signage</li> <li>▪ Entrance kept clear, ensuring vegetation is cut back</li> </ul>	<p>Maintain area and monitor</p> <p>New signage being installed</p>	PAA, RR	Ongoing	
Slips and trips	Allotment holders, contractors and public injured if they trip over objects, uneven surfaces, trailing hosepipes	<ul style="list-style-type: none"> <li>▪ Plot holders responsible for cutting and maintaining of paths surrounding and leading to their plot.</li> <li>▪ Council to maintain boundary hedges</li> </ul>	Allotment holders to be made aware to report to the PAA or council any dangerous areas that need attention.	PAA, RR	Ongoing	
Machinery	Allotment holders, contractors and public injured if they come in to contact with machinery or misuse machinery.	<ul style="list-style-type: none"> <li>▪ It is the responsibility of the plot holder to ensure their equipment is maintained and used safely (including wearing appropriate PPE) in accordance with operator's instructions.</li> <li>▪ Contractors required to wear PPE, place signage and ensure equipment is used in accordance with safety instructions.</li> </ul>	None	-	-	
Illegal Activity	Members of the public, allotment holders.	<ul style="list-style-type: none"> <li>▪ Allotment Association have an onsite presence with no issues reported.</li> <li>▪ Allotment Association have established rules to enable misuse to be dealt with.</li> </ul>	None	-	-	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Hazardous Substances	<p>Allotment holders and members of the public by:</p> <p>swallowing seeds, berries inhaling pathogens from compost heaps and manure</p> <p>being in contact with weed killers and pesticides</p> <p>Leakage of Flammable fuel causing bodily harm by causing a fire or inhaling or swallowing</p> <p>Storage of Fertilisers</p> <p>Legionella from stored water</p>	<ul style="list-style-type: none"> <li>▪ Allotment holders have the knowledge to avoid certain fruits.</li> <li>▪ Allotments are inspected for any hazardous substances, contaminants.</li> <li>▪ Fuel to be stored in suitable containers and used in accordance with manufacturers instructions and COSSH information.</li> <li>▪ If chemicals are held on a Plot holder's plot they should be stored securely in a non-flammable container. Storage conforms to Fertilisers Regulations 1992 and Agricultural Industries codes of practice.</li> <li>▪ No water is stored at the temperature that would promote legionella bacteria.</li> <li>▪ There is no drinking water on site.</li> </ul>	<p>Hazardous substances or fly tipped waste to be reported to PTC for removal.</p> <p>Consideration of signage at taps that it is Not drinking water.</p>	PAA, RR	Dec 18	
Structures and Boundaries	Allotment holders, members of the public from unstable	<ul style="list-style-type: none"> <li>▪ Council inspect boundary fences</li> <li>▪ Allotment holders responsible for the security and safety of their own plot.</li> </ul>	Inspection of asset by the Council on a regular basis	IP	Ongoing	

	boundaries or structures.					
Bonfires	Allotment holders, members of the public from fire spread	<ul style="list-style-type: none"> <li>▪ Conform to established rules for bonfires</li> </ul>	Review rules and compliance with the rules.	PAA, RR	Ongoing	

Does any of the following apply to this risk assessment. If so then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs	✓		HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire	✓		-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE	✓		HSE – A Short Guide to PPE at Work
Manual Handling	✓		HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment

Vibration	✓		HSE – Control Body Pain from Vibration
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What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Inspection of Memorial	<p>Potentially unstable memorials falling on inspector/staff/public</p> <p>Potential of unstable memorials falling on other persons</p> <p>Potential of sudden breakage of memorial or joint, causing inspector/staff to fall.</p>	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring visual inspection</li> </ul>	Employ specialist and qualified inspector to carry out inspections every 5 years.	IP	<p>Ongoing</p> <p>Structural Survey 2022</p>	
Sudden Damage, risk of falling, collision	<p>Potentially unstable memorials falling on inspector/staff/public</p> <p>Potential of unstable memorials falling on other persons</p>	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring visual inspection</li> </ul>	<p>Damage is to be cordoned off with Heras fencing and use temporary props if required.</p> <p>Lay flat if practicable.</p>	IP	As required	

	Potential of sudden breakage of memorial or joint, causing inspector/staff to fall.					
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Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs	✓		HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire		✓	-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE	✓		HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work

Hazardous Substances		✓	HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

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### Considerations

### **WAR MEMORIALS – MANAGEMENT**

#### **OVERVIEW**

The following guidance provides guidance on how war memorials should be managed to ensure a high standard of maintenance.

The obligation to maintain safe memorial sites has been in place since the Health and Safety at Work Act 1974 and advice on the inspection of memorials has been available since 2000.

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All memorials should be inspected on a minimum 5 yearly cycle. Each war memorial that has been transferred have been inspected in 2017 and a report submitted to Full Council prior to their transfer. Once the initial inspection has been completed then the cyclical inspection should then take place. The next inspection will take place in 2022. It is highly recommended that suitably trained personnel are used for inspection of memorials

The inspection should be fully documented, identifying all dangerous or unstable memorials. A dangerous memorial is defined as one that will move and continue to fall to the ground with the exertion of a force of 350 Newtons (circa 35kg) or less. This test is designed to relate to normal practices that can take place within the cemetery.

- All memorials will be subject to a visual inspection
- All memorials up to 2.5 metres will be subject to a hand test.
- All memorials between 500mm and 1.5m will be subject to confirmatory testing with force measuring equipment
- All those below 500mm will be risk assessed to decide on the most suitable type of inspection.

Proper consideration must be given to all aspects of the advice in the guidance provided by The Institute of Cemetery and Crematorium Management.

The following are some of the areas to be considered as part of the risk assessment:

- Employment of a qualified inspector
- Deciding where the inspection process will start and how it will proceed – A decision is required on where to start the inspection programme and in what order the work is carried out.
- Identify hazards and their potential to cause harm – consider the age, size deterioration, etc. of memorials
- Numbers of visitors – consider the numbers of visitors and the effect this has on the likelihood of accident
- Vicinity to main roads and paths – consider the busiest areas of pedestrian traffic, usually in and around main roads and footways
- Ground conditions consider whether ground conditions will affect the stability of a memorial
- Topography – consider whether sloping ground could affect the stability of a memorial
- Deciding on the most suitable means of making safe and ensuring that this is proportional to the potential risk:
  - Identify hazards and their potential to cause harm (large memorials) – large memorials can kill and if they are unstable immediate action should be taken to remove the risk if possible by setting into the ground, repairing the memorial or by lying flat,
  - Cordoning and plastic barriers may be inappropriate and a more substantial barrier, to standards indicated in HSE: HSG 151 – Protecting the Public, should be considered should the memorial not be able to be permanently made safe.
  - Temporary support systems can be acceptable if properly constructed and if an inspection process is set up to ensure they remain safe. These should only be used for a limited period until the memorial can be permanently made safe.

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- Identify hazards and their potential to cause harm (lawn type memorials) – consideration should be given to the fact that these smaller memorials tend to result in less serious injuries and, particularly if the memorials are back to back, then they are less likely to fall in such a way as to result in a major injury.
  - Identify hazards and their potential to cause harm (how unstable are the memorials) – as memorials are inspected it will become obvious that some are inherently more unstable than others due to a variety of reasons. Where memorials are extremely unstable and could fall when the lightest force is placed against them then consideration should be given to removing the hazard by making the memorial safe in some way. This would be true of any memorial, but it should be remembered that the larger memorials are more likely to kill someone if they do fall and, therefore, the hazard is greater.
  - Assessing the risk to employees/contractors carrying out any inspection or making safe work on memorials.

The above risk assessment information is for guidance purposes only, lists are not to be considered all-inclusive but indicative of the types of risks that should be considered. Further guidance should be sought from officers/consultants that normally provide health and safety advice for the burial authorities.

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**Name:** Ian Parker

**Job Title:** Services and Contracts Manager

**Date:** September 2018

**Review Date:** September 2019

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Slips and trips	Members of the public and contractors falling on uneven surfaces.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections.</li> <li>▪ Community Caretaker repairing defects as identified.</li> </ul>	None	IP	Ongoing	
Falling from Height	Members of the public and contractors falling from height due to handrails and backrails being insecure or defective.	<ul style="list-style-type: none"> <li>▪ Regular monthly visual check.</li> <li>▪ Community Caretaker contract undertaking weekly inspections and cleans and reporting defects.</li> </ul>	None	IP	Ongoing	
Steps	Members of the public and contractors falling on uneven surfaces and damaged steps.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections and reporting defects.</li> </ul>	None	IP	Ongoing	
Electrocution	Members of the public and contractors tampering with the electric boxes/supply	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Electric boxes securely locked</li> <li>▪ Electric mains cupboard securely locked.</li> </ul>	Ensure cupboards are locked at each inspection	IP	Ongoing	
Contamination and littering	Members of the public and contractors from needles, dog and food waste, broken glass and sharps.	<ul style="list-style-type: none"> <li>▪ EDC undertake daily street cleaning of this area, using approved contractors with appropriate PPE and their own risk assessments in place.</li> </ul>	None	IP	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Defective Street Furniture	Members of the public and contractors receiving cuts, abrasions and injury from defective seats, planters and signs.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections and reporting defects.</li> </ul>	None	IP	Ongoing	
Contamination from chemicals and pesticides	Members of the public and contractors coming in to contact with chemicals used for street cleaning and flower bed maintenance	<ul style="list-style-type: none"> <li>▪ EDC are responsible for street cleaning and weed spraying. EDC has approved risk assessments in place with their contractor.</li> <li>▪ The Penrith BID are responsible for the upkeep of the flower planters.</li> </ul>	<p>Obtain a copy of the EDC risk assessment for reference including COSHH information.</p> <p>Obtain from the Penrith BID COSHH sheets for chemicals and pesticides used.</p>	IP  CG	Oct 18  Oct 18	
Xmas Tree	Members of the public, contractors and volunteers arising from an unstable Xmas Tree falling on passers-by.	<ul style="list-style-type: none"> <li>▪ The Tree is erected by volunteers</li> </ul>	<p>Obtain method statement and risk assessment from Penrith Lions prior to the tree being erected.</p> <p>Undertake regular inspections to monitor the tree.</p> <p>Undertake an additional inspection following adverse weather including heavy snow and/or high winds.</p>	IP  IP  IP	Nov 18  Duration of tree  Duration of tree	

Xmas Lights	Members of the public, contractors and volunteers arising from misuse or defective Xmas lights	<ul style="list-style-type: none"> <li>Electrical testing certificate in date and supply found to be satisfactory.</li> </ul>	Obtain Method Statement and risk assessment for the installation of the Xmas lights.	IP, Lions, BID	Xmas Period	
			Completion certificates confirming the lights are fit for purpose and in working order.	IP, Lions, BID	Xmas Period	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Structural Defects, damage and vandalism to the Bandstand and Area	Members of the public and contractors colliding or being struck by masonry, slates, gutters or any other solid material.	<ul style="list-style-type: none"> <li>Regular monthly contract monitoring inspection of the asset to note any defects.</li> <li>Community Caretaker contract undertaking weekly cleans and inspections and reporting defects.</li> </ul>	None	IP	Ongoing	
Third Party Events	Members of the public, performers, contractors, volunteers because of misuse of their own equipment or event planning.	<ul style="list-style-type: none"> <li>Regular monthly contract monitoring inspection of the asset to note any defects.</li> <li>Bandstand Hire Policy is adopted, requiring third party insurance and event risk assessments.</li> <li>Meetings held with third party event organisers to prepare, plan events, and foresee any issues.</li> <li>Electrical Testing Certificate in date and supply satisfactory.</li> </ul>	All further action is subject to event hires being presented.	IP	Ongoing	
Third Party Street Traders	Members of the public and traders arising from	<ul style="list-style-type: none"> <li>Street Trading consents are issued by EDC.</li> <li>Street Trader presents a copy of Public Liability insurance to Penrith Town Council</li> </ul>	Monitor that the Street Trader is operating within their defined area, and any	EDC, IP	Ongoing	

	accidents, collision with trading equipment.		contravention is reported to EDC as the enforcement authority.			
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Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs	✓		HSE – Safety Signs and Signals
Electricity	✓		HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire	✓		-
Working at Height	✓		HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE	✓		HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

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## **Considerations**

### **CORNMARKET BANDSTAND – MANAGEMENT OVERVIEW**

The following provides guidance on how the Cornmarket Bandstand should be managed to ensure a high standard of maintenance.

The obligation to maintain the Cornmarket Bandstand in a safe condition is to be done so to adhere with Health and Safety at Work Act 1974.

The Council will undertake a range of methods to ensure that the Cornmarket Bandstand is maintained to a safe standard including:

The Council's Services and Contracts Manager will undertake routine site visits to inspect the fabric of the bandstand, the surfaces, street furniture with a view to identify any defects which require remedial work. The inspections will be undertaken monthly.

The Council will employ a contractor to undertake caretaking duties which will include the checking, cleaning and maintenance of street furniture, handrails, surfaces and ensuring the electric boxes are secure. They will report fly tipping to the District Council and any defects of third party owned assets to the rightful owner.

Third party owned assets will be the responsibility of the owners to inspect, maintain and repair as necessary. These include the planters which are owned by Penrith BID, the interpretation panel which is owned by Eden District Council and the street lamp which is owned by Cumbria County Council.

Eden District Council is responsible for undertaking street cleaning, weed spraying, litter collection and bin emptying.

The Bandstand is a space suitable for public events, fetes and shows. The Council has approved a Hire Policy. It is expected that third party users will be required to present public liability insurance, an event plan and a risk assessment in some instances.

The Bandstand and surrounding apron does accommodate street traders. Eden District Council is responsible for issuing Street Trading Licences and will liaise with the Town Council for new applications. The Town Council will need to satisfy itself that traders are operating safely on the Council's land.

Defects to the structure of the bandstand and surrounding area will be dealt with as required. Construction and repair works will be undertaken by external contractors.

To comply with legislation the electrical testing is required to be undertaken every 3 years.

A Risk Assessment will be maintained for the Cornmarket Bandstand and updated annually.

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The above risk assessment information is for guidance purposes only, lists are not to be considered all-inclusive but indicative of the types of risks that should be considered.

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**Name:** Ian Parker    **Job Title:** Services and Contracts Manager

**Date:** September 2018

**Review Date:** September 2019

**Signature:** Ian Parker

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What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Slips and trips	Members of the public and contractors falling on uneven surfaces.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring</li> <li>▪ Community Caretaker contract undertaking weekly inspections.</li> <li>▪ Community Caretaker repairing defects as identified.</li> </ul>	None	IP	Ongoing	
Children’s Play Area	Mainly children being injured arising from defective play equipment and surfacing.	<ul style="list-style-type: none"> <li>▪ Management Agreement in place with Eden District Council who undertake weekly inspection.</li> </ul>	None	IP	Ongoing	
Road	Members of the public arising from collision with moving vehicles.	<ul style="list-style-type: none"> <li>▪ No current action</li> </ul>	Installation of field gate off Inglewood Road by working in partnership with United Utilities.	IP, UU	Dec 18	
Contamination and littering	Members of the public and contractors from needles, dog and food waste, broken glass and sharps.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Fly tipping is reported to EDC</li> <li>▪ Community Caretaker contract undertaking weekly inspection</li> <li>▪ Ground Maintenance contractor undertakes pre-cut litter inspection</li> </ul>	None	IP	Ongoing	
Defective Street Furniture	Members of the public and contractors receiving cuts, abrasions and injury from defective street furniture	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Community Caretaker contract undertaking weekly inspections</li> </ul>	None	IP	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Grounds Maintenance Contract	Members of the public and contractors colliding with moving machinery, strimmer's.	<ul style="list-style-type: none"> <li>Grounds Maintenance contractor submitted risk assessments, and method statements for undertaking grass cutting works</li> </ul>	Ongoing monitoring of the contract.	IP	Ongoing	
Trees	Members of the public and contractors in the event of falling branches, falling trees	<ul style="list-style-type: none"> <li>Tree liability survey commissioned and accompanying risk assessment.</li> <li>Visual tree inspection following adverse weather including high winds, snow, heavy rain</li> </ul>	<p>Low risk trees to be assessed in 2.5 years' time</p> <p>Medium risk trees to be assessed in 18 months' time.</p>	IP	Dec 19	
Signage	Members of the public, contractors should signage become defective or fall	<ul style="list-style-type: none"> <li>Regular monthly contract monitoring inspection</li> <li>Community Caretaker contract undertaking weekly clean and inspection of signage.</li> </ul>	None	IP	Ongoing	
Entrances and Exits	Members of the public, contractors arising from unprotected entrances in the proximity to the highway	<ul style="list-style-type: none"> <li>Liaison with United Utilities to install a field gate off Inglewood Road.</li> </ul>	Prepare design options for the entrance off Salkeld Road, to include gated access.	IP	Mar 19	
Football Goal Posts	Members of the public, contractors being injured from defective goal posts	<ul style="list-style-type: none"> <li>Goals comply with BSEN748</li> <li>Goals installed to manufacturers recommendations</li> </ul>	Monitor goal posts as part of monthly contract monitoring inspection	IP	Ongoing	

Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs	✓		HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire		✓	-
Working at Height	✓		HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE	✓		HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration	✓		HSE – Control Body Pain from Vibration

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## **Considerations**

### **FAIRHILL PLAYING FIELD – MANAGEMENT OVERVIEW**

The following provides guidance on how the Fairhill Playing Field should be managed to ensure a high standard of maintenance.

The obligation to maintain the Fairhill Playing Field in a safe condition is to be done so to adhere with Health and Safety at Work Act 1974.

The Council will undertake a range of methods to ensure that the Fairhill Playing Field is maintained to a safe standard including:

The Council's Services and Contracts Manager will undertake routine site visits to inspect the full site including, the surfaces, street furniture, boundaries and gates, play equipment, signage and walls with a view to identify any defects which require remedial work. A visual check of the trees for loose branches will also be undertaken. The inspections will be undertaken monthly.

The Council will employ a contractor to undertake caretaking duties which will include the checking, cleaning and maintenance of street furniture, signage, football goals, gates and undertake some litter clearance. They will report fly tipping to the District Council and any defects of third party owned assets to the rightful owner.

The Council will employ a contractor to undertake Grounds Maintenance Services. This will include grass cutting, strimming, hedge maintenance and litter clearance. The Contractor will submit Risk Assessments and Method Statements for all works, together with a minimum of £5,000,000 public liability insurance cover.

The Council will employ a contractor to undertake Tree Works Services. This will include tree risk assessments and a programme of tree maintenance arising from the risk assessment findings. The Contractor will submit Risk Assessments and Method Statements for all works, together with a minimum of £5,000,000 public liability insurance cover.

The Council has signed a Management Agreement with Eden District Council for the inspection and insurance of the children's play area. The service offered by the District Council includes a weekly recorded inspection with defects report to the Town Council for remedial action.

The Council will work in partnership with the constituted Fairhill Community Group (FCG). Any recommendations for improvements to be made to the site by the FCG will be considered and presented to the Finance Committee for approval.

A Risk Assessment will be maintained for the Fairhill Playing Field and updated annually.

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The above risk assessment information is for guidance purposes only, lists are not to be considered all-inclusive but indicative of the types of risks that should be considered. Further guidance should be sought from officers/consultants that normally provide health and safety advice for the burial authorities.

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**Name:** Ian Parker    **Job Title:** Services and Contracts Manager

**Date:** September 2018

**Review Date:** September 2019

**Signature:** Ian Parker

**Site:** Penrith Town Council Office, Unit 1, 19-24 Friargate, Penrith

**People at Risk: Public & Employees**

**Additional Information:**

The Diocese of Carlisle are the Council's landlord and are tenants within the same building and are responsible for the maintenance and testing of the fire alarm systems, training and evacuation procedures.

The Town Clerk is responsible for ensuring that the requirements of the Risk Assessment are complied with for those parts over which the Council has control. The Services & Contracts Manager must carry out an annual review of the fire risk assessment, identifying what is required to prevent fire and keep people safe.

## **Risk Assessment Overview**

### **GENERAL INFORMATION (sections 1 to 6 of Fire Risk Assessment)**

**Occupancy:** PTC only – over 6 spaces – general office including kitchenette, reception, board room, meeting room and small vestibule

### **FIRE HAZARDS AND THEIR ELIMINATION OR CONTROL**

**Arson:** All waste stored and removed regularly.

### **FIRE PROTECTION MEASURES**

#### **Adequate provision of exits, easily and immediately operable where necessary?**

Front and rear doors are identified as fire exits.

There is an emergency lighting system showing the exits in the event of the main lighting failing.

#### **Escape routes unobstructed?**

Both exits are used daily as a means of entering the office suite and there are no obstructions.

### **MANAGEMENT OF FIRE SAFETY**

#### **Routine inspections of fire precautions (e.g. during health and safety inspections)**

The Fire Risk Assessment notes that the Services & Contracts Manager monitors the premises.

The weekly test of fire alarm and call points, monthly test of emergency lights and fire extinguishers and a full test annually are carried out by the landlord.

#### **Is all staff given instruction on induction? Are all staff given periodic 'refresher training' at suitable intervals?**

Fire Safety matters are covered during staff induction sessions. The landlord carries out periodic evacuation practis

## RISK EVALUATION

Hazard	Risk	Rating	Existing Control Measures	Additional Action Required
Potential ignition sources	<p>Faulty light fittings or lighting equipment</p> <p>Faulty or misused electrical appliances</p> <p>Faulty or misused portable appliances (including portable heaters)</p> <p>Arson</p> <p>Naked flames</p>	L	<p>The electrical systems in the unit are six months old.</p> <p>All portable appliances are new and will be repaired and tested as required by the Councils Health and Safety Policy.</p> <p>No naked flames.</p>	Portable Appliance Testing (PAT) to be arranged for the office electrical items.

Hazard	Risk	Rating	Existing Control Measures	Additional Action Required
			Security arrangements are sufficient to prevent unauthorised access. Windows opening limited and office security procedures in place.	
Fuel sources	Stationery in office  Files/ cardboard in office  Waste paper and cardboard in office  Furniture/blinds  Cleaning Materials	L	Paper and stationery stored in metal cupboards  All COSHH items are secured.  Waste paper removed regularly.  Cleaning products are stored in cupboard.	

Hazard	Risk	Rating	Existing Control Measures	Additional Action Required
People	<p>Smoking</p> <p>People with visual and / or hearing impairment(s)</p> <p>People with physical impairments</p> <p>People who may be new to the premises and not familiar to its layout, seasonal workers, contractors, visitors or customers</p>	L	<p>No Smoking site.</p> <p>Staff always onsite.</p> <p>Multiple marked exits, to outside space</p> <p>Lone workers policy in place.</p>	

Hazard	Risk	Rating	Existing Control Measures	Additional Action Required
	Lone Workers			
Fire Safety equipment	Equipment failure	L	<p>Weekly fire alarm and monthly lighting tests take place – landlord maintains records.</p> <p>Extinguishers on site, with staff shown where they are located and how they are to be used.</p> <p>Fire drills, records of maintenance and emergency plan - landlord</p>	12-month service of the Fire Extinguishers
Fire exits	Blocked	L	<p>All fire exits are in daily use, maintained and not blocked.</p> <p>All fire exits are clearly sign posted.</p>	

Hazard	Risk	Rating	Existing Control Measures	Additional Action Required
Evacuation	No knowledge of fire emergency plan	L	<p>Fire evacuation notices are clearly sign posted.</p> <p>Practices arranged be landlord.</p> <p>Ground floor accessible premises and accessible to the fire service.</p> <p>Two marked fire exits.</p>	

Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity	✓		HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire	✓		-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work
Manual Handling		✓	HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

The Town Council premises are based on the ground floor, has a low occupancy level and all the occupants are able bodied and capable of using the means of escape without assistance. This means that there is very little chance of a fire starting; few if any highly combustible or flammable materials or other fuels for a fire; that fire is unlikely to spread quickly; and would be quickly detected so that all people would quickly know that a fire has occurred and can make their escape.

Both the active and passive fire prevention measures and general fire precautions observed at the time of this fire safety risk assessment, it is considered that the hazard from fire (likelihood of fire) at these premises is:

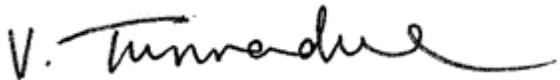
Low

Normal

High

**In this context, a definition of the above terms is as follows: -**

**Low: Unusually low likelihood of fire because of negligible potential sources of ignition**

<p><b>Signature:</b></p>  <p><b>Name: Viv Tunnadine Job Title: Town Clerk Date: September 2018</b></p>	<p><b>Review Date:</b> <b>September 2019</b></p>
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## RISK ASSESSMENT LONE WORKING

Employees of the Town Council work alone at times due to the limited number of personnel and office opening hours to enable public access to the Council.

**Frequency**

Daily

### THE WORKPLACE AND WORK RISKS

Question	Yes	No	Comments
Does the workplace present any special risks to a person working alone – work at height, confined spaces etc		✓	Office well- presented and maintained.
Is there safe access and egress	✓		Access via main door to Council Offices off Friargate, and back door and via Diocese front door.
Can all plant and equipment to be used during lone working be safely handled by a lone person	✓		Only equipment photocopier, PC, telephone / fax, shredder
If there is temporary access, such as ladders, trestles etc, can they be safely handled by a lone person	✓		
Can all substances and any hazardous materials be safely handled by a lone person	✓		

**THE WORKPLACE AND WORK RISKS**

Question	Yes	No	Comments
Can any manual handling that may have to be required be carried out safely by a lone person	✓		Only manual handling required is acceptance of deliveries for office consumables.
Is there a risk of violence	✓		Minimal risk notwithstanding ease of public access to the building and Town Council staff.
Are workers of different genders working alone at greater risk		✓	

**EMERGENCY ARRANGEMENTS**

Question	Yes	No	Comments
Are adequate first aid facilities available	✓		First aid book & box located in Council office.
Is there a need for training the lone worker in first aid	✓		No first aid training has been provided. There is one member of staff First Aid at Work Trained.
In an emergency can help easily find and reach the lone worker	✓		Location of the offices known to the emergency services and councillors aware of employees' location.
Have emergency procedures been tested and found to be working well	✓		Staff advised of evacuation procedure in the case of an emergency.

## COMMUNICATION AND SUPERVISION

Question	Yes	No	Comments
Are there arrangements for regular contact between lone worker and supervision	✓		Informal arrangement whereby there is daily contact with the Mayor and other councillors. Either by physical presence in the office, telephone or email.
Will supervisors periodically visit and observe the lone worker		✓	Nature of organisation. Lone working due to limited number of personnel and the part-time working of all employees.
Are automatic monitoring and warning devices appropriate and used (e.g. personal alarms, mobile phones)		✓	No personal alarms provided nor office panic buttons.
Is there easy access always to communication with the 'outside world' and emergency services	✓		Offices conveniently located within the town centre.  Officers have access to personal telephones.

**THE LONE WORKER – personal assessment – SUMMARY - all results**

Question	Yes	No	Comments
Does the lone worker have a medical condition making them unsuitable for lone working		✓	All staff recorded No.
Does the lone worker have any medical condition on which any foreseeable emergencies may impose additional physical or mental burden which is unacceptable		✓	All staff recorded No.
Is the lone worker sufficiently experienced for the task	✓		All staff recorded Yes.
Is the lone worker provided with adequate information about the risks involved with the task and the precautions to be taken		✓	Discussions with the Staff Sub-Committee about the risks involved.
Is the lone worker provided with suitable training to allow the premises, equipment, any? substances to be used safely	✓		Instruction given on the security of the building and fire alarm system.
Is the lone worker provided with suitable training to allow them to deal with any unforeseeable emergency	✓		Procedures in place in the event of fire.

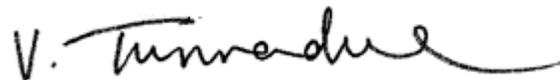
**SIGNIFICANT FINDINGS – THOSE RATED HIGH AND REQUIRE ADDITIONAL CONTROL MEASURES**

Risks Identified	Existing Control Measures	Additional Control Measures	Action Plan	
			Person responsible	Completion date
Accessibility of the building by members of the public.	Public counter to reduce the public area.  Key pad locks	Control the extent of access to the employees without withdrawing public access to the building and staff.  Visitors register required.	Town Council	Done
Assault	Access to office phones	Personal alarms if unable to call for assistance	Town Council	31/12/18
Lack of qualified first aider in the event of an accident.  Need to improve reporting mechanism and report to the Council to limit the risk in the future.	First aid box and booklet  1 x member of staff is First Aid at Work Qualified.	First Aid training for further staff	Town Council	31/12/18

Risks Identified	Existing Control Measures	Additional Control Measures	Action Plan	
			Person responsible	Completion date
Lack of formal reporting mechanism in the event of an incident in the office.	Informal arrangement exists with the Mayor to report issues.	Procedure to approved and adopted in the event of an incident to comply with Health & Safety	Town Council	31/12/18
Lack of formal reporting mechanism for off-site meetings	None	In & Out Register required so that there is a record of the location of staff.	Town Council	31/12/18

**Name:** V Tunnadine **Job Title:** Town Clerk **Date:** September 2018

**Review Date:** September 2019

**Signature:** 

## OFFICE RISK ASSESSMENT

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Slips and trips	Staff and visitors may be injured if they trip over objects or slip on spillages	<ul style="list-style-type: none"> <li>▪ General good housekeeping</li> <li>▪ All areas well lit</li> <li>▪ Trailing cables positioned neatly away</li> <li>▪ Floors kept clear of items</li> <li>▪ Cabinet drawers and doors kept closed when not in use</li> </ul>	Continue good housekeeping standards	All	Ongoing	
Manual Handling	Staff risk of injuries from handling heavy/bulky objects carried incorrectly.	<ul style="list-style-type: none"> <li>▪ Trolley used to transport boxes of paper</li> <li>▪ High shelves for light objects only</li> </ul>	None	All	Ongoing	
Display Screen Equipment / regular computer use	Staff risk posture problems and pain, discomfort or injuries, from overuse or improper use or from poorly designed workstations or work environments. Headaches or sore eyes can also occur if the lighting is poor.	<ul style="list-style-type: none"> <li>▪ Workstation and equipment set to ensure good posture and to avoid glare and reflections on screen.</li> <li>▪ Shared workstations assessed for all users.</li> <li>▪ Work planned to include regular breaks or change of activity.</li> <li>▪ Lighting and temperature suitably controlled.</li> <li>▪ Staff instructed to consider computer set up when working away from the office.</li> <li>▪ Staff discouraged from bringing in own equipment.</li> </ul>	Review DES and Office work station set up	All	Mar 19	
Stress	All staff could be affected by lack of job control, bullying, not knowing their role	<ul style="list-style-type: none"> <li>▪ Staff understand what their duties are</li> <li>▪ Staff can talk to managers if feeling at unease.</li> <li>▪ Weekly team briefings</li> </ul>	Continue team briefings and highlight/ raise any concerns	All	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Electrical	Staff could get electrical shocks or burns from using faulty electrical equipment. Electrical faults can lead to fires	<ul style="list-style-type: none"> <li>▪ Staff trained to spot and report any defective plugs, discoloured sockets, or damaged cables, equipment.</li> <li>▪ Defective equipment taken out of use</li> <li>▪ Staff discouraged from bringing in own electrical equipment.</li> </ul>	Portable Application Testing (PAT)	IP	Mar 19	
Fire	Staff and others could suffer fatal injury from smoke inhalation/burns	<ul style="list-style-type: none"> <li>▪ Staff induction includes fire evacuation procedures and means of raising the alarm.</li> <li>▪ Annual fire evacuation practice carried out by landlord.</li> <li>▪ Access to exits kept clear</li> <li>▪ Fire extinguishers in office</li> <li>▪ Regular removal of combustible waste.</li> <li>▪ Weekly fire alarm tests are done by the landlord.</li> <li>▪ Fire risk assessment complete and submitted to landlord.</li> </ul>	Service the Fire Extinguishers every 12 months	IP	Apr 19	
Working at height	Falls from any height can cause bruising and fractures.	<ul style="list-style-type: none"> <li>▪ Staff use the step ladder to access higher shelves and putting up Xmas decorations.</li> </ul>	None	All	Ongoing	
Chemical	Chemical e.g. photocopier toner/ ozone production, cleaning materials	<ul style="list-style-type: none"> <li>▪ Toner changed in accordance with manufacturer's instructions.</li> <li>▪ All spills are cleaned up immediately and waste appropriately disposed of.</li> <li>▪ Cleaning products stored in cupboard.</li> </ul>	None	All	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Environmental Hazards	Staff – may feel too hot/cold or suffer other general discomfort	<ul style="list-style-type: none"> <li>▪ Building temperatures kept as reasonable as possible.</li> <li>▪ Fans are available in case of hot conditions.</li> <li>▪ Office furniture is tidy allowing free circulation around the office.</li> </ul>	Review office conditions	All	Ongoing	

		<ul style="list-style-type: none"> <li>▪ Lighting levels are sufficient.</li> <li>▪ Window blinds fitted and anti-glare on office windows.</li> <li>▪ Toilet available with hot cold water</li> <li>▪ Kitchen facilities with drinking water available</li> <li>▪ No smoking policy</li> </ul>				
Lone Working	<p>Staff – if presence not known in the event of an emergency.</p> <p>Threat to personal security.</p>	<ul style="list-style-type: none"> <li>▪ Telephone contact available always</li> <li>▪ Staff record where they are visiting during office hours and estimated time of return.</li> <li>▪ Staff advised to ensure authorised persons do not gain access when using the building out of hours.</li> </ul>	Consideration of reporting to main contacts, particularly after evening meetings	VT, IP	Dec 18	

Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity	✓		HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire	✓		-
Working at Height	✓		HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work
Manual Handling	✓		HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment	✓		HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

**Name:** Ian Parker

**Job Title:** Services and Contracts Manager

**Date:** September 2018

**Review Date:** September 2019

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Slips and trips	Members of the public and contractors falling on uneven surfaces.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections.</li> </ul>	None	IP	Ongoing	
Highway	Members of the public and contractors colliding with moving vehicles	<ul style="list-style-type: none"> <li>▪ Regular monthly visual check.</li> <li>▪ Eden District Council's contractor Cumbria Waste Management empties the bins on 3 occasions per week, who have full operational risk assessments.</li> <li>▪ Recycling vehicles use banksman, reversing lights, hazard warning lights and have reversing cameras in cab</li> </ul>	Instruct Caretaker not to continue own duties when recycling trucks are carrying out bin emptying. – stand to side in safe location. Commence duties when vehicles have moved on.	IP	Ongoing	
Contamination and Litter	Contamination from litter, including needles, dog and food waste, glass and so on affecting inspector / staff/ public / contractors.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections.</li> <li>▪ Fly tipping is reported to EDC</li> </ul>	PPE issued for safe collection and disposal of litter, debris whilst undertaking cleaning duties.	IP	Ongoing	
Defects, damage, vandalism.	Persons falling, colliding being struck by recycle bins, lids closing due to defective bins. Affecting inspector / staff/ public / contractors.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections.</li> <li>▪ Defective equipment, bins are reported to EDC</li> </ul>	Monitor	IP	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Signage	Injury arising from falling signage, defective signs and notices affecting members of the public and contractors.	<ul style="list-style-type: none"> <li>▪ Regular monthly contract monitoring inspection</li> <li>▪ Community Caretaker contract undertaking weekly cleans and inspections.</li> </ul>	None	IP	Ongoing	
Negative People related behaviour	Abuse, violence arising from people related behaviour, affecting staff, contractors and members of the public	Nothing at present	None	IP	Ongoing	

Does any of the following apply to this risk assessment. If so then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs	✓		HSE – Safety Signs and Signals
Electricity		✓	HSE – Maintaining Portable Electrical Equipment HSE – Electrical Safety and You
Fire		✓	-
Working at Height		✓	HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE	✓		HSE – A Short Guide to PPE at Work

Manual Handling	✓		HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment		✓	HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

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### Considerations

#### **MORRISONS BRING SITE (RECYCLING) – MANAGEMENT OVERVIEW**

The following provides guidance on how the Morrisons Bring Site should be managed to ensure a high standard of maintenance.

The obligation to maintain the Morrisons Bring Site in a safe condition is to be done so to adhere with Health and Safety at Work Act 1974. The Town Council has entered into an adoption agreement with Eden District Council for the Bring Site which outlines obligations for the Town Council.

The Council will undertake a range of methods to ensure that the Morrisons Bring Site is maintained to a safe standard including:

The Council's Services and Contracts Manager will undertake routine site visits to inspect the facility to ensure that the Town Council is meeting its obligations as set out in the Adoption Agreement. This will include:

- Monthly inspections to identify issues affecting the quality of service provision at the centre, including damage to equipment, equipment becoming full, overflowing, vandalism, fly tipping, damage to boundaries.
- Ensuring that the equipment and surrounding area is kept clean and tidy and to remove any litter.
- Not to allow the centre to constitute a nuisance.

The Council will employ a contractor to undertake caretaking duties which will include:

- Ensuring that the equipment and surrounding area is kept clean and tidy and to remove any litter.

- 
- Not to allow the centre to constitute a nuisance.
  - Report any fly tipping

Eden District Council has responsibilities as outlined within the Adoption Agreement. The District Council works are undertaken by their contractor Cumbria Waste Recycling (CWR). The District Council responsibilities include:

- Provide the equipment including recycling bins.
- To maintain / replace the equipment for the effective provision of the service.
- To regularly empty the equipment and remove recyclable materials
- To remove fly tipping
- To insure the centre and equipment including public liability insurance

A Risk Assessment will be maintained for the Morrisons Bring Site and updated annually.

The above risk assessment information is for guidance purposes only, lists are not to be considered all-inclusive but indicative of the types of risks that should be considered. Further guidance should be sought from officers/consultants that normally provide health and safety advice for the burial authorities.

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**Name:** Ian Parker

**Job Title:** Services and Contracts Manager

**Date:** September 2018

**Review Date:** October 2018

**Signature:** Ian Parker

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Slips and trips	Staff and visitors may be injured if they trip over objects or slip on spillages	<ul style="list-style-type: none"> <li>▪ General good housekeeping</li> <li>▪ All areas well lit</li> <li>▪ Trailing cables positioned neatly away</li> <li>▪ Floors kept clear of items</li> <li>▪ Cabinet drawers and doors kept closed when not in use</li> </ul>	Continue good housekeeping standards	All	Ongoing	
Manual Handling	Staff risk of injuries from handling heavy/bulky objects carried incorrectly.	<ul style="list-style-type: none"> <li>▪ Trolley used to transport boxes of paper</li> <li>▪ High shelves for light objects only</li> </ul>	None	All	Ongoing	
Display Screen Equipment / regular computer use	Staff risk posture problems and pain, discomfort or injuries, from overuse or improper use or from poorly designed workstations or work environments. Headaches or sore eyes can also occur if the lighting is poor.	<ul style="list-style-type: none"> <li>▪ Workstation and equipment set to ensure good posture and to avoid glare and reflections on screen.</li> <li>▪ Shared workstations assessed for all users.</li> <li>▪ Work planned to include regular breaks or change of activity.</li> <li>▪ Lighting and temperature suitably controlled.</li> <li>▪ Staff instructed to consider computer set up when working away from the office.</li> <li>▪ Staff discouraged from bringing in own equipment.</li> </ul>	Review DES and Office work station set up	All	Mar 19	
Stress	All staff could be affected by lack of job control, bullying, not knowing their role	<ul style="list-style-type: none"> <li>▪ Staff understand what their duties are</li> <li>▪ Staff can talk to managers if feeling at unease.</li> <li>▪ Weekly team briefings</li> </ul>	Continue team briefings and highlight/ raise any concerns	All	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Electrical	Staff could get electrical shocks or burns from using faulty electrical equipment. Electrical faults can lead to fires	<ul style="list-style-type: none"> <li>▪ Staff trained to spot and report any defective plugs, discoloured sockets, or damaged cables, equipment.</li> <li>▪ Defective equipment taken out of use</li> <li>▪ Staff discouraged from bringing in own electrical equipment.</li> </ul>	Portable Application Testing (PAT)	IP	Mar 19	
Fire	Staff and others could suffer fatal injury from smoke inhalation/burns	<ul style="list-style-type: none"> <li>▪ Staff induction includes fire evacuation procedures and means of raising the alarm.</li> <li>▪ Annual fire evacuation practice carried out by landlord.</li> <li>▪ Access to exits kept clear</li> <li>▪ Fire extinguishers in office</li> <li>▪ Regular removal of combustible waste.</li> <li>▪ Weekly fire alarm tests are done by the landlord.</li> <li>▪ Fire risk assessment complete and submitted to landlord.</li> </ul>	Service the Fire Extinguishers every 12 months	IP	Apr 19	
Working at height	Falls from any height can cause bruising and fractures.	<ul style="list-style-type: none"> <li>▪ Staff use the step ladder to access higher shelves and putting up Xmas decorations.</li> </ul>	None	All	Ongoing	
Chemical	Chemical e.g. photocopier toner/ ozone production, cleaning materials	<ul style="list-style-type: none"> <li>▪ Toner changed in accordance with manufacturers instructions.</li> <li>▪ All spills are cleaned up immediately and waste appropriately disposed of.</li> <li>▪ Cleaning products stored in cupboard.</li> </ul>	None	All	Ongoing	

What are the hazards?	Who might be harmed and how?	What are you doing already?	What further action is necessary?	Action by whom?	Action by When?	Done
Environmental Hazards	Staff – may feel too hot/cold or suffer other general discomfort	<ul style="list-style-type: none"> <li>▪ Building temperatures kept as reasonable as possible.</li> <li>▪ Fans are available in case of hot conditions.</li> <li>▪ Office furniture is tidy allowing free circulation around the office.</li> <li>▪ Lighting levels are sufficient.</li> <li>▪ Window blinds fitted and anti-glare on office windows.</li> <li>▪ Toilet available with hot cold water</li> <li>▪ Kitchen facilities with drinking water available</li> <li>▪ No smoking policy</li> </ul>	Review office conditions	All	Ongoing	
Lone Working	Staff – if presence not known in the event of an emergency.  Threat to personal security.	<ul style="list-style-type: none"> <li>▪ Telephone contact available always</li> <li>▪ Staff record where they are visiting during office hours and estimated time of return.</li> <li>▪ Staff advised to ensure authorised persons do not gain access when using the building out of hours.</li> </ul>	Consideration of reporting to main contacts, particularly after evening meetings	VT, IP	Dec 18	

Does any of the following apply to this risk assessment. If so, then you may wish to refer to the HSE supplementary guidance:

Area	YES	NO	Guidance
Safety Signs		✓	HSE – Safety Signs and Signals
Electricity	✓		HSE – Maintaining Portable Electrical Equipment  HSE – Electrical Safety and You

Fire	✓		-
Working at Height	✓		HSE – Safe use of Ladders and Stepladders HSE – Working at Height
PPE		✓	HSE – A Short Guide to PPE at Work
Manual Handling	✓		HSE – Manual Handling at Work
Hazardous Substances	✓		HSE – Working with Substances Hazardous to Health COSHH
Display Screen Equipment	✓		HSE – Working with Display Screen Equipment
Vibration		✓	HSE – Control Body Pain from Vibration

**Name:** Ian Parker

**Job Title:** Services and Contracts Manager

**Date:** September 2018

**Review Date:** September 2019



# Penrith Town Council

## FINANCE COMMITTEE 10 September 2018

### REVIEW OF INTERNAL CONTROL, INTERNAL AUDIT ARRANGEMENTS & AUDIT PLAN

**AUTHOR:** Jack Jones - RFO

**SUPPORTING MEMBER:** Cllr Ron Kenyon

**ITEM NUMBER: 9**

## RECOMMENDATION

The Committee is asked to approve and recommend to Council for final ratification:

- a) the review of the Council's internal control environment;
- b) the review of its internal audit arrangements; and
- c) the outline Internal Audit Plan.

## 9. LAW: LINK TO COUNCIL FUNCTIONS

The Accounts & Audit Regulations 2015 provide that the Council "*must ensure that it has a sound system of internal control which—*

- a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;*
- b) ensures that the financial and operational management of the authority is effective; and*
- c) includes effective arrangements for the management of risk."*

Additionally, it must "*undertake an effective internal audit and, each financial year:*

- a) conduct a review of the effectiveness of the system of internal control; and*

*b) prepare an annual governance statement”.*

Proper accounting practice is prescribed in the document *Governance and Accountability for Smaller Authorities in England 2018*, which is published by the Joint Practitioners Advisory Group JPAG.

## **10. LINKS TO COUNCIL PRIORITIES**

A robust internal control environment supports the achievement of Council priorities by ensuring that it operates lawfully and appropriately; effective internal audit is a key element in providing assurance that internal controls are sound.

## **2. BACKGROUND**

Local Councils are responsible for putting in place proper arrangements for the governance of their affairs and the stewardship of the resources under their control. These arrangements should enable the Council to carry out its activities effectively whilst managing risk.

The Town Council is required to maintain an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and to annually review its effectiveness.

A system of internal control should be designed to manage risk to a reasonable level. Whilst it cannot eliminate the risk of failure to achieve policies, aims and objectives, it can provide reasonable assurance of effectiveness.

Regular reviews of the control environment provides assurance on its effectiveness; where appropriate a management action plan can be used to address any identified weaknesses.

The review process includes:

- a) Obtaining assurances to the extent that control systems have operated effectively throughout the year;
- b) Reviewing Internal and External Audit Inspection reports; and
- c) Reviewing any issues arising from the last review of internal control.

## **3. SYSTEM OF INTERNAL CONTROL**

A review checklist of the Internal Control systems currently in place is provided at **Appendix 1**. Members are asked to review this checklist and confirm that the current internal control arrangements continue to be efficient and effective for the Council.

## **4. REVIEW OF INTERNAL AUDIT ARRANGEMENTS**

The Town Council is required to maintain throughout the year an adequate and effective system of internal audit of its accounting records and control systems.

As a minimum, the review of internal audit should include an assessment of each of the following:

- a) the scope of the audit
- b) independence
- c) competence
- d) relationships
- e) audit planning and reporting

The Internal Auditor must not be involved in the financial decision making, management or administrative control of the Council.

The current Internal Auditor is by Mrs J. Airey who is appropriately qualified and has significant local authority finance experience and knowledge of accounting and auditing processes including the role of the internal audit and awareness of risk management issues. The internal auditor is independent and understands the accounting requirements and the legal framework and powers of local councils. The appointment is considered annually by this committee.

An annual audit plan is produced by the Internal Auditor and the Town Council.

The Internal Auditor's findings are reported to this Committee and Full Council. If there are action points to implement, an action plan will be agreed by the Committee. It is anticipated that this Committee will receive staged reports on the current year's Internal Audit findings early in November and June.

The Council's internal audit arrangements have been reviewed against the checklist at **Appendix 2**; the Committee is asked to consider the review and confirm that the Council's arrangements are sound and effective.

**Appendix 3** provides a statement and evidence of verifying the effectiveness of internal controls for Members to review.

**Appendix 4** shows the outline Internal Audit Plan for the Committee's approval.

The Committee should note that the appendices refer to the current arrangements for the payment of invoices prior to the implementation of revised procedures, if approved.

## 11. FINANCE IMPLICATIONS

None

## 12. RISK ASSESSMENT

Risk	Consequence	Controls Required
Unlawful or inappropriate actions resulting from inadequate internal controls.	Legal, financial or reputational damage.	Maintain sound internal controls, supported by an effective internal audit.

## 13. BACKGROUND PAPERS

**14. OFFICER CONTACT DETAILS**

Responsible Finance Officer – Jack Jones

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Email: [rfo@penrithtowncouncil.co.uk](mailto:rfo@penrithtowncouncil.co.uk)

## APPENDIX 1: REVIEW CHECKLIST OF INTERNAL CONTROL ARRANGEMENTS

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
<b>Governance Framework</b>	<p>Policies &amp; procedures in place which are reviewed annually or in conjunction with changes to working practices:</p> <ul style="list-style-type: none"> <li>• Standing Orders</li> <li>• Financial Regulations</li> <li>• Whistle blowing</li> <li>• Procurement</li> <li>• Risk Management</li> <li>• Cash Management</li> <li>• Scheme of Delegation</li> <li>• Value for Money</li> <li>• Complaints</li> </ul> <p>All staff employed on written contracts.</p> <p>Members declaration of interest and register have been updated in line with the revised Code of Conduct and are displayed on the Town Council and Eden District Council websites.</p> <p>Budget and precept set annually by Council.</p>	Yes	

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
	<p>Medium term financial plan agreed annually by Council.</p> <p>Annual year end return approved by Council.</p>		

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
<b>Financial Controls</b>	<p>Recognised computerised financial management systems.</p> <p>Procedures for financial activities.</p> <p>Bank reconciliations completed quarterly and reported with quarterly reports.</p> <p>Payment controls and payment details reported to Committee.</p> <p>Payroll controls.</p> <p>Fidelity guarantee insurance.</p>	Yes	
<b>Section 151 Officer</b>	RFO appointed by Council as a separate post to Town Clerk.	Yes	
<b>Review of risk management arrangements</b>	<p>Risk register showing actions taken to reduce risks is reviewed annually.</p> <p>All reports to Council consider risks</p>	Yes	

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
	Business continuity plan is reviewed annually.		
<b>Regular maintenance arrangements for physical assets</b>	Periodic inspections carried out on condition of physical assets.	Yes	18-19 development of devolution reserve for routine maintenance of physical assets.
<b>Insurance arrangement checked</b>	Review of insurance arrangements carried out annually with broker.	Yes	
<b>Asset Register</b>	Asset register updated annually.	Yes	
<b>External Auditors – appropriate actions have been taken on all matters raised</b>	There were no issues raised by External Auditors, BDO LLP, for the year ended 31 March 2017, report approved by Council.	Yes	

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
<b>Internal Auditors – appropriate actions have been taken on all matters raised</b>	Internal audit reviews considered by Council - no issues arising from the audit in 31 March 2018.	Yes	
<b>Scope of Internal Audit</b>	Terms of reference for internal audit work approved by full Council Internal Audit work considers both the Council's risk register and wider internal control arrangements.	Yes	
<b>Independence</b>	<p>Internal audit has direct access to those charged with governance.</p> <p>Reports are made in own name to management.</p> <p>Internal audit does not have any other role within the Council.</p>	Yes	
<b>Competence</b>	Internal audit work carried out integrity and objectivity.	Yes	

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
<b>Relationships</b>	<p>All responsible officers (Clerk/RFO) are consulted on the internal audit plan.</p> <p>Respective responsibilities for officers and internal audit are defined in relation to internal control, risk management and fraud and corruption matters.</p> <p>The responsibilities of Council Members are understood, training of members is carried out as necessary.</p>	Yes	
<b>Audit planning and reporting</b>	<p>The annual internal audit plan properly takes account of all the risks facing the Council.</p> <p>Internal Audit has reported in accordance with the plan.</p>	Yes	

## Appendix 2 REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT

Expected Standard	Evidence of Achievement in Place	Yes or No	Areas for Development
<b>Internal audit work is planned</b>	Planned internal audit is based on risk assessment and designed to meet the Council's needs.	Yes	
<b>Understanding the whole organisation its needs and objectives</b>	The annual audit plan demonstrates how audit work will provide assurances for the Council, i.e. annual governance statement	Yes	
<b>Be a catalyst for change</b>	Internal audit supports the Councils work in delivering improved services to the community.	Yes	
<b>Adds value and assist the organisation in achieving its objectives</b>	The Council makes positive responses to internal audit's recommendations and follows up with action where this is called for.	Yes	
<b>Be forward looking</b>	In formulating the annual audit plan, national agenda changes are considered. Internal audit maintains awareness of new	Yes	

	developments in the services, risk management and corporate governance.	
<b>Be challenging</b>	Internal audit focuses on the risks facing the Council.  Internal audit encourages mangers/members to develop their own responses to risks, rather than relying solely on audit recommendations.	Yes
<b>Ensure the right resources are available</b>	Adequate resource is made available for internal audit to complete its work.  Internal audit understands the Council and the legal and corporate framework in which it operates.	Yes

## Appendix 3 STATEMENT/EVIDENCE OF INTERNAL CONTROL VERIFICATION

	Activity	Members
<b>Cash Book/Bank reconciliations</b>	<ul style="list-style-type: none"> <li>The cash book is kept up to date from original documents (paying-in books, invoices, cheque stubs)</li> <li>The cash book is reconciled to the bank statement on a quarterly basis</li> <li>The bank reconciliation is reviewed and approved by the Finance Committee</li> <li>The latest financial position of the Council's cash balances is verified by the Chairman and Vice Chairman</li> </ul>	Noted & Agreed
<b>Financial Regulations</b>	<ul style="list-style-type: none"> <li>A document listing the Council's financial regulations, based on the model version prepared by NALC/SLCC is maintained.</li> <li>The regulations are reviewed for continued relevance and amended where necessary by the Responsible Financial Officer/Town Clerk with any proposed amendments subject to approval by the Council</li> </ul>	Noted & Agreed
<b>Order/Tender controls</b>	<ul style="list-style-type: none"> <li>The Financial Regulations list the number of estimates, quotes or full tenders that must be invited depending on the value and nature of the work.</li> <li>Official orders/letters/emails are sent to suppliers for services which are not regular in nature</li> <li>All orders align with the Council's Procurement Policy</li> </ul>	<p>Noted &amp; Agreed</p> <p>Noted &amp; Agreed</p> <p>Noted &amp; Agreed</p>

**Activity****Members****Payment controls**

- Depending on the nature of the supply, the Committee Clerk signs the purchase invoice to indicate that the supply has been received.
- The RFO shall confirm that the supply has not previously been paid and that the invoice calculations are correct.
- Purchase orders/letters/emails ordering the work are matched to purchase invoices where applicable.
- The value of each invoice for payment will be checked against the cheque value by one of the councillor authorised to sign cheques on Councils behalf.
- A retrospective list of cheque payments made will be presented to the Committee
- The cheque number used to settle an invoice and the date it was prepared are entered on the payments list for reference purposes
- An electronic payment system is managed by the Council's external accountancy service as an extra level of internal control. The RFO, Chairman and Vice-Chairman of the Finance Committee have view access to the account. Procedure for the electronic payments aligns with the cheque payment procedure.
- A retrospective list of payments made will be presented to the Committee
- All payments are recorded on the Town Council website to comply with the Open Government Transparency Code

.  
Noted & Agreed

	Activity	Members
<b>s137 – Free Resources</b>	<ul style="list-style-type: none"> <li>• A separate s137 account is maintained</li> <li>• The RFO calculates the maximum amount of s137 expenditure able to be made each year and ensures that it is not exceeded.</li> <li>• Where expenditure from s137 is made payment must be recorded and approved in Councils minutes</li> </ul>	Noted & Agreed
<b>VAT repayment claims</b>	<ul style="list-style-type: none"> <li>• RFO ensures that all invoices are addressed to the Town Council.</li> <li>• RFO ensures that proper VAT invoices are received where VAT is payable</li> <li>• LP maintains a VAT account to show that the correct amount of VAT is reclaimed</li> <li>• VAT to be reclaimed on a quarterly basis All Reviewed by LP</li> </ul>	Noted & Agreed
<b>Income controls</b>	<ul style="list-style-type: none"> <li>• RFO ensures that amount of the precept received is correct in accordance with the precept request sent to the District Council and is received when due.</li> <li>• RFO ensures that other receipts are received when due and correctly calculated</li> <li>• RFO ensures that all cash and cheque receipts must be recorded through the cash register and cross referenced against the cash book</li> <li>• RFO ensures all income is banked promptly</li> </ul>	Noted & Agreed

<b>Financial reporting</b>	An Income & Expenditure account, comparing actual to the budget is prepared on a quarterly basis, presented to the Council and minuted as such	Noted & Agreed
<b>Budget preparation</b>	<ul style="list-style-type: none"> <li>• Officers will prepare a base line budget for each standing committee for presentation to the appropriate committee.</li> <li>• Each committee will prepare their own budget forecast in consultation with the Council.</li> <li>• A full town council meeting will take place in January of each year to determine the precept value to be requested from the District Council</li> <li>• The precept is set based on the budget by the deadline set by the District Council</li> </ul>	Noted & Agreed
<b>Activity</b>		<b>Members</b>
<b>Payroll controls</b>	<ul style="list-style-type: none"> <li>• All staff are paid under PAYE</li> <li>• Under the direction of the Full Council, the Finance Committee acting on the recommendations of the Staffing Sub-Committee will be responsible for determining staff levels, grade and pay structure.</li> <li>• All staff will be paid monthly bacs system</li> <li>• LP will ensure that all the necessary payroll returns are made to HMRC and will retain evidence that this has been done</li> <li>• LP will ensure all the necessary Pension Scheme (LGPS) returns are made to Cumbria Local Government Pension Scheme and will retain evidence that this has been done</li> </ul>	Noted & Agreed

<b>Governance Overview</b>	At the end of each cycle of Council meetings the officers prepare a resolutions report detailing all action resolutions approved to monitor achievement.	Noted & Agreed
<b>Asset Control</b>	<ul style="list-style-type: none"> <li>• The RFO maintains a full asset register</li> <li>• The RFO will ensure that always the level of insurance is appropriate to protect the Town Council's assets</li> </ul>	Noted & Agreed

## APPENDIX 4 INTERNAL AUDIT PLAN

ACTIVITY	AUDIT
<b>Previous Internal Audit Report</b>	Do the minutes record that Council has considered the Internal Audit Report for the previous year and the matters arising addressed?
<b>Proper book keeping</b>	Is the cashbook maintained and up to date?
	Is the cashbook arithmetically correct?
	Is the cashbook regularly balanced?
<b>Standing Orders and Financial Regulations</b>	Has the Council formally adopted Standing Orders and Financial Regulations?
	Has a Responsible Financial Officer been appointed?
	Have items or services above the de minimis amount been competitively purchased?

	<p>Are payments in the cashbook supported by invoices and have they been authorised and minuted?</p>
	<p>Has VAT on payments been identified, recorded and reclaimed?</p>
	<p>Is Section 137 expenditure separately recorded and within statutory limits?</p>
<p><b>Risk Management Arrangements</b></p>	<p>Does a scan of the minutes identify any unusual activity?</p>

## APPENDIX 4: INTERNAL AUDIT PLAN

ACTIVITY	AUDIT
<b>Risk Management Arrangements (cont.)</b>	Do the minutes record the Council carrying out an annual risk assessment?
	Is insurance cover appropriate and adequate?
	Are internal financial controls documented and regularly reviewed?
<b>Budgetary Controls</b>	Has the Council prepared an annual budget in support of its precept?
	Is actual expenditure against the budget regularly reported to Council?
	Are there any significant unexplained variances from budget?
<b>Income Controls</b>	Is income properly recorded and promptly banked?
	Does the precept recorded in the cashbook agree to the District Council's notification?
	Are security controls over cash adequate and effective?
<b>Petty Cash Procedures</b>	Is all petty cash spent recorded and supported by VAT invoices/receipts?

<b>ACTIVITY</b>	<b>AUDIT</b>
	Is petty cash expenditure reported to Council?
	Is petty cash reimbursement carried out regularly?
<b>Payroll Controls</b>	Do salaries paid agree with those approved by Council?
	Are other payments to the Clerk reasonable and approved by Council?
<b>Payroll Controls (cont.)</b>	Has PAYE/NIC and LGPS been properly operated by the Council as an employer?
<b>Assets Controls</b>	Does the Council keep an Assets Register of all material assets owned?
	Is the Register up to date?
	Do asset insurance valuations agree with those in the Register?
<b>Bank Reconciliation</b>	Is there a bank reconciliation for each bank account?
	Is the bank reconciliation carried out regularly on the receipt of statements?
	Are there any unexplained balancing entries in any reconciliation?
<b>Year-End Procedures</b>	Are year-end accounts prepared on the correct accounting basis?

	Do accounts agree with the cashbook?
	Is there an audit trail from underlying financial records to the accounts?
	Where appropriate, have debtors and creditors been properly recorded?
<b>Open Government Transparency Code</b>	Is the Council complying with the Code and publishing public data in the public domain?



# Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR  
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## **RISK MANAGEMENT POLICY**

### **Introduction**

Risk Management is an essential feature of the Town Council's corporate governance arrangements. Risk Management applies to all areas of the Council's work and this Policy outlines the overarching approach to Risk Management. This Policy is supported by other approved policies, protocols and procedures.

### **Definition**

Risk Management is the way that the Council responds to uncertainty in both the internal and external environment. Having a policy for risk management allows the Council to:

- Identify risks in the context of corporate objectives
- Assess risks to determine and develop actions and controls to manage risks
- Communicate with all stakeholders its process for identifying and managing risk

### **Policy Statement**

Penrith Town Council recognises that it has a responsibility to manage risks, both internal and external, and is therefore committed to the implementation of a risk management strategy to protect the Council.

The Town Council recognises that Risk management is an essential part of effective corporate governance and that the Council has a statutory duty to have in place arrangements for managing risk as stated in the Account and Audit Regulations.

## **Assessing Risk**

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. Risk management is part of the review and when completing The Annual Governance Statement for the external auditor, the Council is confirming the following assertion:

### ***"Assertion 5: Risk Management***

*We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required."*

To warrant a positive response to this assertion, the Council needs to have the following arrangements in place:

- Identifying and assessing risks. The Council needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.
- Addressing risks. Having identified, assessed and recorded the risks, the Council needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk which will include the use of internal controls and insurance cover.

## **Risk Assessment**

Risk Assessment forms a key element as to how the Council assesses risk. The Council on an annual basis will review the following corporate risk assessments:

- Business Continuity
- Finance
- Governance
- Information Technology and Website
- Fire
- Lone Working
- Services and Assets

Furthermore, the Council reviews annually several its key policies and procedures to identify and manage risk. These include:

- The annual review of the corporate health and safety policy
- The annual review of corporate risk assessments
- The annual review of the financial risk management protocol
- The annual review of the procurement policy
- The annual review of the internal control policy
- The annual review of the corporate financial regulations

The Council maintains a documented Governance and Finance Schedule that it monitors and manages across the year.

### **Reviewing Our Risk**

The risk assessment template used to prepare the corporate risk assessments is the Health and Safety Executive corporate template.

Each risk assessment includes what action is necessary, who is responsible and by when following the identification of a risk.

Risk Assessments are a continual process and whilst they are reviewed annually, they are live documents which form an essential part of service delivery.

### **Reporting of Risks**

The risk assessments and supporting policies are reviewed annually by the Finance Committee.

The identification of risks, including new risks are discussed at the staff team briefings.

### **Persons Responsible for the Delivery and Monitoring of this Policy**

Risk management is embedded in the everyday culture of the Council. The roles and responsibilities are set out below and are designed to ensure that risk is managed effectively:

#### **Elected Members**

Risk management is a key part of the Members role, where they lead on the monitoring, approval, review of the Risk Management Strategy, Risk Assessments and associated policies.

#### **Town Clerk**

Is responsible for the oversight and management of the Council employees and the implementation of agreed policies. The Town Clerk will communicate with and provide advice to Elected Members on matters relating to Risk Management.

### **Services and Contracts Manager**

The corporate Health and Safety Policy and the preparation and ongoing monitoring of risk assessments. This includes the inspection and monitoring of assets and the health and safety responsibilities for third party contractors.

### **Responsible Finance Officer**

Section 151 of the Local Government Act 1972 the RFO manages the financial affairs of the Council

### **Employees**

All employees have a duty responsibility to achieve a healthy and safe workplace, and to take reasonable care of themselves and others. Employees are required to report risk factors to managers and elected members as appropriate.

### **Internal Audit**

Provides an important scrutiny role by carrying out audits to provide independent assurance to the Council that the necessary management systems are in place and that business risks are being managed effectively.

### **External Services**

The Council has a range of external providers including external accountancy, IT and website support who manage, monitor and advise on risks as required. The Council will submit its accounts annually to an external auditor.



# Penrith Town Council

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## FINANCIAL RISK MANAGEMENT PROTOCOL

### LAW REGULATORY BACKGROUND

#### **Section 151 of the Local Government Act 1972**

Local Councils are required to appoint a responsible financial officer (RFO) to manage their financial affairs.

#### **Local Audit and Accountability Act 2014**

The requirement for local Councils to prepare accounts annually and to subject them to external audit comes from this Act, which describes the rights of taxpayers and other interested parties in relation to those accounts.

#### **Accounts & Audit Regulations 2015:**

These Regulations, issued under the 2014 Act, set out certain duties relating to risk:

##### **a) Accounting records and control systems**

The Council's financial control systems must include—

(a) measures—

- (i) to ensure that the financial transactions of the authority are recorded as soon as, and as accurately as, reasonably practicable;
- (ii) to enable the prevention and the detection of inaccuracies and fraud, and the reconstitution of any lost records; and
- (iii) **to ensure that risk is appropriately managed;**

(b) identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers.

##### **b) Internal audit**

An authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

### **c) Review of internal control system**

A relevant authority must, each financial year:

- (a) conduct a review of the effectiveness of the system of internal control; and
- (b) prepare an annual governance statement;

The Annual Governance Statement (AGS), contained within the Annual Governance & Accountability Return, summarises the Council's review of its internal control system. The AGS includes a statement that the Council has carried out an assessment of risks and taken appropriate action to manage them. The AGS must be signed by the Chairman and the Clerk and refers to the Council minute approving the review. This requires that at least once a year the Council must formally consider risks.

## **OVERVIEW**

The greatest strategic risk facing a local council is not being able to deliver its objectives, activities or services that are expected of the Council by the local population.

This Council should be seen to be managing all relevant risks when it reviews its systems and the minutes of the Council are essential evidence of such review. Budget setting, asset register review, risk assessments and insurance reviews are annual activities.

The Town Council's Standing Orders and Financial Regulations cover the vast majority of these risks, but there is a need to identify any issues not covered within these documents and then indicate, via the Council and Committee minutes, the way in which they have been considered and managed.

Council minutes should be checked by the Internal Auditor for evidence of any unusual activity, along with evidence that risks are being identified and managed appropriately.

Risks can be managed in one of three ways:

1. Insurance.
2. Through third parties.
3. In-house.

## **1. Insurance**

The Council's insurance policy includes the following cover:

- Full employer's liability and personal accident cover for its staff and Councillors;
- Public liability insurance, with cover currently provided at the level of £10 million, for injury or damage to third party persons or property;
- Business interruption cover;
- Loss or damage to property;
- Officials indemnity cover; and
- Employee dishonesty insurance, sufficient to cover the maximum amount of money kept in the Council's bank accounts.

Where outside contractors are employed, the Clerk should ensure that the contractor employed has adequate public liability insurance by seeing a copy of the Public liability Insurance Certificate.

## **2. Risk Managed by Third Parties**

Some duties or responsibilities can be transferred in part or whole to outside bodies. This should be formally stated in tender/contract documents or agreements, eg contractors being required to submit to the Council their risk assessments and method statements.

## **3. Internal Risk Management**

Many of the Town Council's responsibilities will be carried out either by directly employed staff, contractors, volunteers or by Councillors and in these circumstances the Council needs to ensure that appropriate risk management systems are in place and that these are reviewed on a regular basis.

A further aspect is that, when spending is budgeted and agreed, Councillors should consider under what powers the Council would be spending the public funds involved. In case of unusual expenditure, the power used to justify such expenditure should be minuted.

## **INTERNAL CONTROL**

### **RISK ASSESSMENTS**

The Council is required to maintain risk assessments. It should be borne in mind that risk assessment is a continual process and needs to be reviewed on a regular basis.

Risk assessments identify relevant areas, together with an evaluation of both the level of risk involved and the means currently used to manage that risk. The assessments detail monitoring and review procedures, identify existing controls and propose actions needed to manage the remaining risks.

The Council's risk assessment format exceeds the current compliancy standard required by the external auditing body.

### **REVIEWS**

The Council reviews the effectiveness of its internal control system annually. The Review Schedule records the frequency of review and the nature of the review to remain compliant. This not an exhaustive list however it ensures that the Council's main compliancy goals/targets are met.

### **INTERNAL AUDIT**

The Council complies with governance requirements, has an internal audit plan and will annually recruit an internal auditor.

### **EXTERNAL SUPPORT**

The Council employs the services of an external accountancy service to reduce the risk of fraud, to ensure accurate book keeping and compliancy to changes in accounting legislation and to maintain business continuity. The Council will submit its accounts annually to an external auditor.

# REVIEW SCHEDULE

Frequency of Review: Compliance:	Area/Form of Review: Updating:
Monthly	<ol style="list-style-type: none"> <li>1. Payments verified by Town Clerk and made by external accountants.</li> <li>2. Cash Card payments reconciliation</li> <li>3. Report of payments made circulated to all Councillors with copy invoices.</li> <li>4. Payments report approved by next Finance Committee meeting.</li> <li>5. Bank reconciliation prepared by external accountants and reviewed by two Members.</li> <li>6. Cash flow management; funds held on deposit.</li> <li>7. Publication of Minutes</li> <li>8. Declaration of Interests.</li> </ol>
Quarterly	<ol style="list-style-type: none"> <li>1. VAT reimbursement claim.</li> <li>2. Budget monitoring statement approved by Finance Committee.</li> </ol>
Regularly: Period Unspecified Event driven.	<ol style="list-style-type: none"> <li>1. Changes in Code of Conduct details.</li> <li>2. Insurance cover.</li> <li>3. Asset Register updated.</li> <li>4. Support staff/cover.</li> <li>5. Risk assessments.</li> </ol>
<b>Annually</b>	
March	<ol style="list-style-type: none"> <li>1. Insurance (bi-annual) review, for renewal.</li> <li>2. Internal Audit</li> </ol>
April	<ol style="list-style-type: none"> <li>1. Statement of Accounts.</li> <li>2. Preparation of Annual Governance &amp; Accountability Return.</li> </ol>
May	<ol style="list-style-type: none"> <li>1. Councillors' Register/Code of Conduct (as necessary).</li> <li>2. Acceptance of Office.</li> <li>3. Annual Town Council meeting review of governance.</li> <li>4. Formal insurance review by Council.</li> <li>5. Governance Review.</li> </ol>
June	<ol style="list-style-type: none"> <li>1. Completion of Annual Government &amp; Accountability Return.</li> <li>2. Publication of unaudited annual accounts.</li> <li>3. Appointment of internal auditor.</li> </ol>
Sept/Oct (All part of Budget considerations)	<ol style="list-style-type: none"> <li>1. Publication of audited accounts and Annual Governance &amp; Accountability Return.</li> <li>2. Insurance (bi-annual) – Forecast before renewal.</li> <li>3. Security: Buildings and equipment.</li> <li>4. Risk Assessment Review.</li> </ol>
Sept – Dec	<ol style="list-style-type: none"> <li>1. Staffing - recommendations for staff pay review for budget consideration.</li> <li>2. Forward Planning and resolving priorities for next financial year.</li> </ol>

## REVIEW SCHEDULE

Frequency of Review: Compliance:	Area/Form of Review: Updating:
	<ol style="list-style-type: none"> <li>3. Formulate budget/precept.</li> <li>4. Internal Audit.</li> </ol>
December	<ol style="list-style-type: none"> <li>1. Financial Regulations (bi-annual).</li> <li>2. Standing Orders (bi-annual).</li> </ol>
January/February	<ol style="list-style-type: none"> <li>1. Confirm annual budget</li> <li>2. Determine and notify precept</li> <li>3.</li> </ol>

## GOVERNANCE

Two pieces of legislation set out how local Councils should account for the public funds they manage and what rights local taxpayers have in relation to those accounts. These are the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations issued under that Act. The Act provides that the Secretary of State may make regulations covering:

- how accounts should be kept;
- the form of accounts and how and where and for how long taxpayers can view the accounts and the details behind them; and
- how taxpayers exercise their rights in relation to them.

The Responsible Financial Officer is employed by the Council to oversee the administration of its affairs. The Responsible Financial Officer (RFO) holds a statutory office and is appointed by the Council. The Council has an external accountancy service and is responsible for all the Council's payroll and accounting systems. Financial Regulations apply to both these finance functions and to all staff and Councillors.

It is the Council as a whole, however, that is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.

Under the Regulations, all local Councils are required at least once a year to conduct in accordance with proper practices, a review of the effectiveness of their system of internal control and publicly report the outcome. This annual governance review must include a separate review of internal audit.

## INTERNAL AUDIT

Internal audit is a key component of the system of internal control. The purpose of internal audit is to review whether the systems of financial and other controls over a Council's activities and operating procedures are effective. It is essential that the internal audit function is sufficiently independent of the other financial controls and procedures of the Council which are

the subject of review. The person or persons carrying out internal audit must also be competent to carry out the role in a way that will meet the business needs of the Council. Internal audit is an on-going function reporting to the Council at least twice a year.

Approved 10 September 2018

Review: Annually

## INTERNAL CONTROLS

The Council's internal controls include the following.

**Regular scrutiny of financial records and proper arrangements for the approval of expenditure.**

- Separation of duties is incorporated into all financial processes: the RFO, key staff, external accountants and Councillors have clearly defined roles.
- Invoices are checked and verified by the Town Clerk/Services & Contracts Manager.
- Schedules of proposed payments are submitted to the external accountants with copy invoices.
- The external accountants review the proposed payments and, if satisfied, pay the suppliers electronically.
- The external accountants enter payment and other transactions into the Council's accountancy system and complete a bank reconciliation each month.
- The external accountants prepare a report of invoices paid each month, which the RFO submits to all Councillors together with copies of all invoices for that month.
- Each monthly payment report is submitted to the Finance Committee for formal approval and recording in its minutes.
- The most recent monthly or quarterly bank reconciliation and statement are both reviewed and signed by two Committee members who are not the Chairman of the Council; the review is recorded in the Committee's minutes.
- Where payments cannot be made electronically, cheques are signed by two authorised Councillors and the cheque stubs countersigned.

**Recording in the minutes the precise powers under which expenditure is being approved.**

- Expenditure is recorded with reference to the relevant power.

**Regular payroll returns to HM Revenue and Customs.**

- Monthly returns are made by the external accountants.

**Contracts of employment for all staff.**

- All staff have a current contract of employment with written statement of particulars and a relevant job description.

**Staff contracts, performance and pay annually reviewed by the Council.**

- The Staff Sub-Committee has delegated responsibility to review all aspects of employment governance and make recommendations to the Finance Committee.
- An annual review takes place each autumn to allow its recommendations to be incorporated into the budget planning process.

**Systems of updating records for any changes in relevant legislation.**

- The Council retains legal/HR support to advise it of any changes to employment legislation and has membership of CALC and SLCC.

**Regular claims for reimbursement of VAT.**

- Claims for recovery of VAT are made quarterly by the external accountants.

**Regular budget monitoring statements.**

- The Finance Committee receives regular budget statements prepared by the RFO from information provided by the external accountants.

**Minutes properly numbered and paginated with a master copy kept in safekeeping.**

- All minutes for Full Council and Committees are numbered and a master copy secured.

**Documented procedures to deal with enquiries from the public.**

## INTERNAL CONTROLS

- Communication protocol with the public records that if the enquiry is by email or letter, a response will be made within 5 clear working days.

### Risk assessments are up to date.

- All risk assessments are reviewed routinely and updated as required through the relevant committees and cover all aspects of the Council's business.

### Documented procedures for document receipt, circulation, response, handling and filing.

- The Council has a Record Management System.

### Procedures in place for recording and monitoring Members' interests.

- Members' interests are reviewed annually or when there is a change.
- A register of interests is retained by the Council and published on the website.

### Procedures in place for recording dispensations.

- The Town Clerk has the delegated authority to consider Members' dispensations.
- A procedure is in place and members are required to complete a pro forma.

### Gifts and Hospitality received.

- All Members are aware of the requirement to complete a record if in receipt of a gift or hospitality.
- A copy is sent to the Monitoring Officer and a copy retained with the Councillor's file.

### Adoption of codes of conduct for members and employees.

- Councillors have adopted a code of conduct.
- All employees are issued with a staff manual that includes a copy of the employee code of conduct.

### Review of the effectiveness of internal control.

- Annual review considered by Finance Committee and approved by full Council.



# Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR  
Tel: 01768 899 773 Email: office@penrithtowncouncil.co.uk

## PROCUREMENT POLICY

### BACKGROUND

#### CURRENT EU PROCUREMENT THRESHOLDS

These thresholds are valid from 01 January 2018 and are normally subject to change every two years. They apply to high value procurements which will rarely, if ever, be made by the Town Council:

Public Works contracts	£4,551,413
Public Service contracts	£181,302
Public Supply contracts	£181,302

The council is also obliged to follow some basic principles.

For supplies and services over these thresholds, a tender notice must be placed in the Official Journal of the European Union (OJEU) to give all providers within the EU an opportunity to tender.

Tenders must be invited in accordance with one of the prescribed procedures either Open, Restricted, Competitive with Negotiation, Competitive Dialogue, Innovation Partnership or Light Touch Regime. Each of these procedures imposes minimum time scales covering the tender activities to ensure that reasonable time is given to interested parties to respond to advertisements and prepare submissions.

### NATIONAL RULES

Whilst there is no prescription on local authorities to tender out specific services all councils have a duty under best value legislation as laid down by Part 1 of the Local Government Act 1999 to fundamentally review their services and make arrangements to ensure continuous improvement, having regard to economy, efficiency and effectiveness.

All contracts opportunities and contract awards of £25,000 in value and above in accordance with The Public Contracts Regulations 2015 must be advertised openly on the Contracts Finder portal.

## LOCAL RULES

The Council will strive to attain best value for all goods, materials and services which it purchases.

“Best Value” will be defined as a balance of price, quality of product and supplier services.

The Council will operate a transparent procurement process in accordance with its Financial Regulations and Standing Orders for Contracts.

1. The Council will purchase locally wherever possible and where best value can be satisfied. The Council will primarily make purchases within the parish of Penrith and the district of Eden.

2. In evaluating “best value”, the past record of the supplier will be taken into account.

3. For goods, materials or services over £4,000, a service level agreement incorporating an evaluation report will be agreed.

4. The Council will purchase Fair Trade goods where possible.

5. The Council will purchase re-cycled goods or less environmentally damaging materials where they meet the required functional standard and will have regard to protect and sustain the environment.

6. Procurement activities will comply with the Council's Financial Regulations and the Procurement Regulations 2015 and reflect the practises as recorded in the NALC Procurement Toolkit.

7. Tender opportunities will be promoted on the Councils website to encourage tenders from local community and voluntary organisations and the local SME sector.

8. The Council will show favour to organisations that pay the Living Wage as set by the Living Wage Foundation.

## THRESHOLDS & PROCEDURES

**Procedures as recorded in the Financial Regulations apply.**

Procurements should not be disaggregated solely to avoid the need to meet a more rigorous procedure.

<b>Estimated contract value (net of VAT)</b>	<b>Contract requirements</b>
Up to £15,000	A purchase can be made from the source that offers the best value for money to the Council.

	<p>This should be demonstrated by the obtaining of 3 written quotes, where this is possible.</p> <p>Contracts shall be by purchase order.</p>
£15,001 to £25,000	<p>Shall be advertised on the website of the Council (and/or other public advertisement as determined by the relevant Committee) unless, in consultation with the Responsible Financial Officer, it is agreed to approach suppliers on an ad hoc basis inviting expressions of interest (in which case 3 written quotes shall be sought).</p>
£25,001 to £50,000	<p>Procurement opportunities over £25,000 in value shall be openly advertised on the Council's website and shall also be advertised on Contract Finder within 24 hours of that advert appearing together with unrestricted and full direct internet access to relevant contract documents.</p> <p>A formal written contract approved by a solicitor must be utilised. A purchase order referring to the contract will also be utilised where required.</p> <p>Following award of the contract, relevant details must be published on Contract Finder.</p>
£50,001 to EU procurement threshold	<p>Shall be advertised on the website of the Authority and on Contract Finder (within 24 hours of any other adverts appearing; and /or other public advertisement as determined by the authorised officer) together with unrestricted and full direct access to relevant contract documents.</p> <p>Pre-Qualification Questionnaires (PQQ's) can be used in procurements above the lower EU threshold for supplies and services for tender opportunities for works contracts.</p> <p>A formal written contract prepared/approved by the Council's Solicitor must be utilised. A covering purchase order referring to the contract will also be utilised where required.</p> <p>Following award of the contract, relevant details must be published on Contract Finder.</p>
EU procurement threshold and above	<p>Shall be advertised in the Official Journal of the European Journal (OJEU), on the Council's website and on Contract Finder (within 3 days of the receipt of OJEU notice at publications office or within 24 hours of the OJEU notice being published; and/or other public advertisement as determined by the Authorised Officer).</p>

Pre-Qualification Questionnaires (PQQ's) can be used in procurements above the lower EU threshold for supplies and services for tender opportunities for supplies, services and works.

The Council's Solicitor shall advise on the most appropriate EU procurement procedure to be used for the relevant supplies. Services and/or works to be procured. The two most common procedures are:

Open Procedure - anyone can submit a tender

Restricted Procedure - following receipt of expressions of interest a pre-qualification questionnaire (PQQ) is used to shortlist candidates who are then invited to submit a tender.

**APPROVED:**

**May 2016**

**REVIEWED:**

**September 2018**

**Reviewed annually**



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## INTERNAL CONTROL OF FINANCE

### GENERAL

The Council's Responsible Finance Officer (RFO) is responsible for the financial administration of the Council and for formulating secure policies and procedures.

### PROCEDURES

#### BANK ACCOUNT SIGNATORIES

1. Signatories to each of the Council's bank accounts must be resolved at the Annual Town Council meeting and duly minuted.
2. Wherever possible the signatories must be all the members of the Council's Finance Committee to promote business continuity and to spread the risk of fraud.
3. The signatory application process must be overseen by the RFO and comply with the bank's individuals' protocols.
4. All Councillors will provide personal details required by the bank's application process and two references.
5. All Councillors will provide personal details required by the external accounts.
6. The external accountants will be authorised as bank account signatories for the purpose of electronic bank transfers and management of the bank account.
7. The RFO will ensure all applications are completed fully and copies kept for reference.

## **PAYMENTS**

- 8.** All invoices that are not disputed will be made within 30 days of the invoice date.
- 9.** The Town Clerk/Services & Contracts Officer and in their absence the Deputy Town Clerk, will collate and number all invoices and check each invoice for accuracy. When satisfied that the invoices are correct due for payment, relevant details are recorded on a schedule, which is then sent to the external accountants with copy invoices and supporting documentation.
- 10.** The Town Clerk/Services & Contracts Officer will submit details of new suppliers to the external accountants so that they can be set up on the electronic banking system.
- 11.** The external accountants will check the invoices and the schedule, pay the suppliers and record the details in the Council's accounting system.
- 12.** In conjunction with the external accountants, the RFO will compile a report of payments made each month, extracted from the accounting system, for submission to the Finance Committee for approval. The schedule will be sent to all Councillors, together with an electronic copy of each invoice.
- 13.** The Finance Committee will formally consider and approve the report of invoice payments made, recording their approval in the meeting's minutes.
- 14.** On a weekly basis, the Services and Contracts Manager, as part of the weekly payment run, will update a schedule when the corporate debit card has been used that week. The purchase receipt will be filed and the updated record sent to the external accountants for processing. The debit card transactions will further be verified to the bank statement.
- 15.** The master schedule showing each debit card transaction will be made available to Members of the Finance Committee as required or to complement the Payments Approval process.

## **AUTHORISATION**

- 16.** Wherever possible, payments are made by electronic bank transfer, processed by the external accountants.

Where a cheque has to be raised, the cheque is signed by two Councillors and the cheque stub countersigned.

## **RECORD KEEPING**

- 17.** All financial records and the accounting system are secured at the external accountants' office.
- 18.** Bank account Standing Orders and Direct Debits may be set up for regular payments. An annual minuted resolution is required with a mandate signed by two Councillor signatories.
- 19.** The external accountants will provide financial information as required by the RFO, including that needed to make and record monthly payments and quarterly budgetary control reports to the Finance Committee.
- 20.** Approval of the reports will be recorded in the minutes and taken forward to the Full Council.
- 21.** The external accounts will produce regular bank reconciliations, not less than monthly, which will be provided to the RFO.
- 22.** At each meeting of the Finance Committee, the most recent monthly bank reconciliation, supported by the appropriate bank statement, will be reviewed by two members of the Committee, neither of whom is the Chairman of the Council, who must countersign both documents. The review will be recorded in the Committee's minutes.

## **ACCOUNTABILITY & TRANSPARENCY**

- 23.** All Councillors have their own copy of Local Council Governance and Accountability for Smaller Authorities – A Practitioners Guide March 2018, which represents statutory proper practice in these areas. The Guide is issued by the Joint Panel on Accounting Guidance (JPAG), and jointly published by the Society of Local Council Clerks, the National Association of Local Councils and the Association of Drainage Authorities.
- 24.** The Town Council will ensure that there is a sound system of internal control and effective arrangements for the management of risk and will:
  - i. Undertake an effective internal audit
  - ii. Review the effectiveness of the system of internal control annually
  - iii. Prepare an Annual Governance and Accounts Return (AGAR), to be approved at a Full Council meeting by 30 June following the end of the financial year.
- 25.** The RFO will make provision for electors to exercise their statutory rights to inspect the accounts and the underlying records and to make objections to the external auditor, including the following:

- The RFO must publish the unaudited AGAR (and this must include publication on a freely accessible website) together with a statement that the Annual Return as published may be subject to change.
- The RFO will set the inspection period, which must be a period of 30 consecutive working days, including the first ten working days in July, and publish the availability of the Accounts for inspection.
- Electors' objections to the external auditor must be made during, not after, the inspection period.

**26.** Recommendations from the internal auditor or external auditor will be considered initially by the Council's Finance Committee, which will make recommendations to Full Council.

**27.** The Council will comply with all requirements of the Local Government Transparency Code, including the publication of all payments on its website.

**28.** All members of the Finance Committee are offered training in Local Council Finance.

**APPROVED:**

**May 2016**

**REVIEWED:**

**September 2018**

**Reviewed bi-annually**



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## FINANCIAL REGULATIONS

### 1. GENERAL

- 1.1 These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. Financial regulations are one of the Council's three governing policy documents providing procedural guidance for Councillors and officers. Financial regulations must be observed in conjunction with the Council's standing orders and any individual financial regulations relating to contracts.
- 1.2 The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk.
- 1.3 The Council's accounting control systems must include measures:
  - for the timely production of accounts;
  - that provide for the safe and efficient safeguarding of public money;
  - to prevent and detect inaccuracy and fraud; and
  - identifying the duties of officers.
- 1.4 These financial regulations demonstrate how the Council meets these responsibilities and requirements.

- 1.5 At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7. Councillors are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.
- 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the Council. The Council employs external accountants who are responsible for all the Council's payments, payroll and accounting systems and these Regulations will apply accordingly.
- 1.9 The RFO & external accountants;
- act under the policy direction of the Council;
  - administer the Council's financial affairs in accordance with all Acts, Regulations and proper practices;
  - determine on behalf of the Council its accounting records and accounting control systems;
  - ensure the accounting control systems are observed;
  - maintain the accounting records of the Council up to date in accordance with proper practices;
  - assist the Council to secure economy, efficiency and effectiveness in the use of its resources; and
  - produce financial management information as required by the Council.
- 1.10 The accounting records determined by the RFO and external accountants shall be sufficient to show and explain the Council's transactions and to enable them to prepare all required financial information in accordance with the Accounts and Audit Regulations and proper practice.
- 1.11 The accounting records determined by the RFO & external accountants shall, in particular, contain:
- entries from day to day of all sums of money received and expended by the Council and the details relating to those transactions;
  - a record of the assets and liabilities of the Council; and

- wherever relevant, a record of the Council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.

1.12 The accounting control systems determined by the RFO shall include:

- procedures to ensure that the financial transactions of the Council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
- procedures to ensure that uncollectable amounts, including any bad debts, are only submitted to the Council for approval to be written off with the opinion of the RFO and that the approvals are shown in the accounting records; and
- measures to ensure that risk is properly managed.

1.13 The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular, any decision regarding:

- setting the final budget or the precept (Council Tax Requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the General Power of Competence; and
- addressing recommendations in any report from the internal or external auditors shall be a matter for the Full Council only.

1.14 In addition, the Council must:

- determine and keep under regular review the bank mandate for all Council bank accounts;
- approve any grant or a single commitment in excess of £20,001 and
- in respect of the annual salary for any employee, have regard to recommendations about annual salaries of employees made by the relevant Committee in accordance with its terms of reference

1.15 In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

In these Financial Regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability for Local Councils– a Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC) Accounting and Audit (Internal and External).

- 1.16 All accounting procedures and financial records of the Council shall be determined by the RFO & external accountants in accordance with the Accounts and Audit Regulations, appropriate Guidance and proper practices.
- 1.17 On a regular basis, at least once in each quarter, and at each financial year end, two Councillors other than the Chairman shall review and verify bank reconciliations (for all accounts) produced by the external accountants. The Councillors shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to the Finance Committee and noted by the Council.
- 1.18 The RFO and external accountants shall complete the annual income and expenditure account, annual report, and any related documents of the Council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and, having certified the accounts, shall submit them and report thereon to the Council within the timescales set by the Accounts and Audit Regulations.
- 1.19 The Council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or Councillor shall make available such documents and records as appear to the Council to be necessary for the purpose of the audit and shall, as directed by the Council, supply the RFO, external accountants, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.
- 1.20 The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the Council in accordance with proper practices.
- 1.21 The internal auditor shall:
  - be competent and independent of the financial operations of the Council;
  - report to Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
  - demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
  - have no involvement in the financial decision making, management or control of the Council.

1.22 Internal or external auditors may not under any circumstances:

- perform any operational duties for the Council;
- initiate or approve accounting transactions; or
- direct the activities of any Council employee, except to the extent that such employees have been appropriately assigned to assist the auditor

1.23 For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.

1.24 The RFO shall arrange for the exercise of electors' rights in relation to the annual accounts, including the opportunity to inspect the accounts, books and vouchers, and display or publish any notices and statements of account required by the Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.

1.25 The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from the internal or external auditors.

## **2. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING**

2.1 Each Committee shall review its three-year forecast of revenue and capital income and expenditure. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the Council not later than the end of November each year, including any proposals for revising the forecast.

2.2 The RFO and external accountants must each year, by no later than January, prepare detailed estimates of all expenditure and income, including the use of reserves, and all sources of funding for the following financial year in the form of a budget to be considered by the Council.

2.3 The Council shall consider annual budget proposals in relation to the Council's three year forecast of revenue and capital income and expenditure, including recommendations for the use of reserves and sources of funding, and update the forecast accordingly.

2.4 The Council shall set its annual budget and fix the precept (Council tax requirement) and the resulting relevant basic amount of Council tax to be levied for the ensuing financial year not later than by the end of February each year. The RFO shall issue the precept to the billing authority and shall supply each Councillor with a copy of the approved annual budget.

2.5 The approved annual budget shall form the basis of financial control for the ensuing year.

### **3. BUDGETARY CONTROL AND AUTHORITY TO INCUR EXPENDITURE**

3.1 Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- the Council for all items over £20,001;
- a duly delegated committee of the Council for items over £1,000; or
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £1,000

Such authority is to be evidenced by the schedule of payments for approval duly signed by the Clerk, and by the appropriate Chairman at the next available meeting. Contracts may not be disaggregated to avoid controls imposed by these regulations.

3.2 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Council, or duly delegated committee. During the budget year and with the approval of Council, having considered fully the implications for public services, unspent and available amounts may be transferred to other budget headings or to an earmarked reserve as appropriate ('virement').

3.3 Unspent provisions in the revenue or capital budgets at the end of a financial year shall be retained in general reserves and shall not be carried forward to a subsequent year.

3.4 The salary budgets are to be reviewed at least annually in October for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Chairman of Council. The RFO will inform Committees of any changes impacting on their budget requirement for the coming year in good time.

3.5 In cases of extreme risk to the delivery of Council services, the Town Clerk may authorise revenue expenditure on behalf of the Council which, in the Clerk's judgement, it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £1,000. The Town Clerk shall record such expenditure within the payments schedule and, where there is no

budgetary provision for the expenditure, report the expenditure and its purpose in writing to the Council as soon as practicable thereafter.

- 3.6 No expenditure shall be authorised 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 and the requisite borrowing approval has been obtained.
- 3.7 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 3.8 The RFO, in conjunction with the external accountants, shall regularly provide the Council with a statement of expenditure and income for the financial year to date against each head of the budget, comparing actual expenditure to the appropriate date against the expected proportion of the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances from budget. For this purpose, "material" shall generally be in excess of 15% of the budget.
- 3.9 Transfers to and from earmarked reserves shall be approved by Council in accordance with any applicable reserves policy.

## **4. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS**

- 4.1 The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council. Banking arrangements may not be delegated to a Committee. They shall be regularly reviewed for security and efficiency.
- 4.2 All bank signatories must be Councillors. All members of the Finance Committee shall be bank signatories.

## **5. AUTHORISATION AND MAKING OF PAYMENTS**

### **Method of Payment**

- 5.1 Payments by direct debit will be used where the council is committed to regular payments principally for utilities and payments under lease arrangements.

5.2 All other payments shall be made through the electronic banking system (EBS) provided by the council's current account provider, except that payment can be made by cheque when;

- The electronic banking system is not functioning
- The RFO determines that there are valid reasons to make such a payment

5.3 Only the Council's appointed external accountants shall have the ability to make electronic payments on the Council's behalf. In setting up access to the current account provider's EBS, the Council's bank signatories will direct that the Council's external accountants shall:

- be the system administrator for the council's use of the EBS.
- be the only holder of the current account provider's device, which is required to make an electronic payment.
- be the only user capable of setting up a new payee.
- set the RFO, and whoever the RFO directs, with access to the EBS except that no member of staff shall have the ability to make a payment or create a new payee.

## Authorisation of Payments

5.4 All invoices for payment shall be examined, verified and certified by the Town Clerk/Services & Contracts Manager/ Deputy Town Clerk/RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the Council. This includes any amounts paid by direct debit.

5.5 The Services & Contracts Manager/Town Clerk/RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading.

5.6 The Services & Contracts Manager /Town Clerk/RFO shall ensure that there is budget provision for payment. Where there is no budget provision, the Finance Committee shall determine how funds should be made available to pay the amount due.

5.7 The Services & Contracts Manager /Town Clerk/RFO shall then arrange for payment (see sections 5.9 to 5.11 below) and report payments made to the next available Finance Committee (see sections 5.12 to 5.13 below).

## Setting up new Payees

5.8 The RFO will instruct the external accountants to set up any new payees in the EBS. The RFO will keep a record of any such instructions and report them to the next Finance Committee.

## **Making Payments**

### *Direct Debits*

- 5.9 The RFO will instruct the external accountants provider to set up, or cancel, any required direct debits. The RFO will keep a record of any such instructions and report any newly created direct debits to the next Finance Committee.

### *Electronic payments*

- 5.10 When the Services & Contracts Manager/Town Clerk/Deputy Town Clerk/ has properly authorised a payment, the external accountants will be instructed to make a payment to the payee. This will be by means of a weekly payments schedule. Ad hoc payments can be requested where the RFO determines that a payment is urgent. The Services & Contracts Manager RFO will keep a record of all weekly payment schedules and any ad hoc payments.

### *Cheque payments*

- 5.11 Any cheque payments must be requested by the RFO and signed by two signatories. The requirement for two signatories must be part of the bank mandate. The RFO will keep a record of all cheque payments.

## **Reporting Payments**

- 5.12 As evidence of the integrity of the payments made and recorded in the accounting system, the RFO shall ensure that the external accountants produce a satisfactory bank reconciliation at the end of each month.
- 5.13 The RFO shall prepare a report of payments made each month, as part of the agenda for each Finance Committee meeting. The report will be produced from the Council's accounting system. All payments on the report shall be supported by appropriate documentation, i.e. invoices etc., which will be provided separately to all Councillors in advance of the Committee meeting.
- 5.14 The minutes of the Committee shall note the number and amount of payments made and have the report of payments appended.

- 5.15 Details of all payments will be placed on the Council's website, once confirmed by the Finance Committee.

## **Personal Payments**

- 5.16 Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

## **Corporate Credit/ Debit Cards**

- 5.17 Any corporate credit or debit card account opened by the Council will be specifically restricted and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards belonging to members or staff shall not be used under any circumstances.

- 5.18 The RFO shall determine procedures for the recording, reconciliation and reporting to Councillors, of all payments made by means of the corporate debit/credit card.

## **Cash**

- 5.19 The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by staff (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **6. PAYMENT OF SALARIES**

- 6.1 As an employer, the Council shall arrange to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. All salaries shall be calculated in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council, or duly delegated committee.

- 6.2 Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates, stipulated in employment contracts, provided that each payment is reported to the next available Council meeting, as set out in these regulations above.

- 6.3 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Council.

- 6.4 Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record. This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by any Councillor who can demonstrate a need to know;
  - b) by the internal auditor;
  - c) by the external auditor; or
  - d) by any person authorised under Audit Commission Act 1998, or any superseding legislation
- 6.5 The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 6.6 An effective system of personal performance management should be maintained for the senior officers.
- 6.7 Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 6.8 Before employing interim staff, the Council must consider a full business case.

## **7. LOANS AND INVESTMENTS**

- 7.1 All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for Borrowing Approval, and subsequent arrangements for the Loan shall only be approved by full Council.
- 7.2 Any financial arrangement which does not require formal Borrowing Approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full Council. In each case a report in writing shall be provided to Council in respect of value for money for the proposed transaction.
- 7.3 The Council will arrange with the Council's Banks and Investment providers for the sending of a copy of each statement of account to the Chairman of the Council at the same time as one is issued to the RFO.

- 7.4 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.
- 7.5 The Council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually.
- 7.6 All investments of money under the control of the Council shall be in the name of the Council.
- 7.7 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 7.8 Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## **8. INCOME**

- 8.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.
- 8.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council, notified to the RFO, who shall be responsible for the collection of all accounts due to the Council.
- 8.3 The Council will review all fees and charges at least annually, following a report of the RFO.
- 8.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council, accompanied by an opinion from the RFO, and shall be written off in the year.
- 8.5 All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.

- 8.6 The origin of each receipt shall be entered on the paying-in slip.
- 8.7 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 8.8 The external accountants shall promptly complete any VAT Return that is required. Any repayment claims due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 8.9 The Council shall not accept the receipt of sums of cash in excess of £5,000, nor smaller amounts which have been disaggregated to avoid this limit.
- 8.10 Where any significant sums of cash are regularly received by the Council, the RFO shall take such steps as are agreed by the Council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

## **9. ORDERS FOR WORK, GOODS AND SERVICES**

- 9.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 9.2 Order books shall be controlled by the RFO.
- 9.3 All Councillors and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 10 below.
- 9.4 A Councillor shall not issue an official order or make any contract on behalf of the Council.
- 9.5 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

## 10.CONTRACTS

### 10.1 Procedures for contracts are laid down as follows:

- a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items i to vi below:
  - i. for the supply of gas, electricity, water, sewerage and telephone services;
  - ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
  - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
  - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
  - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the RFO shall act after consultation with the Chairman and Vice Chairman of Council); and
  - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
  
- b) Where the Council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("the Regulations") which is valued at £25,000 or more, the Council shall comply with the relevant requirements of the Regulations. The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts.
  
- c) The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time).
  
- d) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council.
  
- e) Such invitation to tender shall state the nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
  
- f) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one Councillor.

- g) If less than three tenders are received for contracts above £15,000 or if all the tenders are identical the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- h) Any invitation to tender issued under this regulation shall be subject to Standing Order 18 and shall refer to the terms of the Bribery Act 2010.
- i) When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £10,000 and above £1,000 the RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- j) The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- k) Should it occur that the Council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the Council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision making process was being undertaken.

## **11. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

- 11.1 Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 11.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.
- 11.3 Any variation to a contract or addition to or omission from a contract must be approved by the Council and Clerk to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

## **12. ASSETS, PROPERTIES AND ESTATES**

- 12.1 The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council. The RFO shall ensure a record is

maintained of all properties held by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.

- 12.2 No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £500.
- 12.3 No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law, in each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 12.4 No real property (interests in land) shall be purchased or acquired without the authority of the full Council. In each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 12.5 Subject only to the limit set in Reg. 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council. In each case a Report in writing shall be provided to Council with a full business case.
- 12.6 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

## **13. INSURANCE**

- 13.1 Following the annual risk assessment (per Financial Regulation 15), the RFO shall be responsible for effecting all appropriate insurances and shall negotiate all claims on the Council's insurers.
- 13.2 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 13.3 The RFO shall be notified of any loss, liability or damage, or of any event likely to lead to a claim and shall report these to Council at the next available meeting.

- 13.4 All appropriate Councillors and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the Council, or duly delegated committee.

## 14. CHARITIES

- 14.1 Where the Council is sole managing trustee of a charitable body, the Clerk and RFO shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk and RFO shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

## 15. RISK MANAGEMENT

- 15.1 The Council is responsible for putting in place arrangements for the management of risk. The RFO shall prepare, for approval by the Council, risk management policy statements in respect of all activities of the Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Council at least annually.
- 15.2 When considering any new activity, the RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

## 16. SUSPENSION & REVISION OF FINANCIAL REGULATIONS

- 16.1 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time. The RFO shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these Financial Regulations.
- 16.2 The Council may, by resolution of the Council duly notified prior to the relevant meeting of Council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all Councillors.

**APPROVED:**

**May 2018**

**REVIEWED:**

**September 2018**

**Reviewed annually**

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# Penrith Town Council

## FINANCE COMMITTEE 10 September 2018

### BUDGETARY CONTROL STATEMENT: QUARTER 1 2018/19

**AUTHOR:** Jack Jones - RFO

**SUPPORTING MEMBER:** Cllr Ron Kenyon

**ITEM NUMBER: 12a**

### RECOMMENDATIONS

- a) That the Committee consider the format of the budgetary control statement; and
- b) That the Committee review and approve the budgetary control statement.

### 15. LAW: LINK TO COUNCIL FUNCTIONS

The Local Government Act 1972 requires the Council to have sound financial management.

### 16. LINKS TO COUNCIL PRIORITIES

Robust budgetary control supports the Council in its delivery of priorities within the approved budget framework.

## **17. REPORT**

### **A. Introduction**

The Council requires a robust budgetary control system to manage its finances. This report introduces a new format for quarterly monitoring statements, based on a thorough review of the transactions held in the Sage accountancy ledger and a streamlining of the process used to produce reported information. A new chart of accounts (code structure) has been implemented, which more closely reflects the Council's budget headings. This has been used to produce reports from Sage which have been input to a new monitoring spreadsheet, which enables adjustments to be made to compare income and expenditure accurately against budgets.

### **B. Budgetary Control Statement (Appendix A)**

The attached budgetary control statement shows the following information, analysed over the most detailed budget headings:

- The full year's Amended Budget for 2018/19, based on the budget approved by Council on 26 February 2018, as adjusted by the agreed carry forward of unspent budgets totalling £66,000 from 2017/18. In accordance with decisions of Council on 21 May 2018 and this Committee on 11 June 2018, these resources have been allocated to CCEG Committee £45,000, Planning Committee £11,000 and Finance Committee £10,000 (Armistice Centenary Project Fund).
- The anticipated budget for the first quarter of the year to date, based on a forecast of the expected spread of income and expenditure, known as the budget profile. For most headings, this profile will be a simple pro-rata of the annual budget (ie 25% for the first three months), however more detailed profiles have been used for several budget headings (eg Bloom expenditure is weighted towards the first half of the year, Planning spending in the second half year).
- Actual income and expenditure for the quarter, based on the matching principle, which means taking account of all income and expenditure which relates to the quarter, irrespective of when it is paid/received. This is an important change from the basis used in previous reporting. It has involved adjusting payments made in the first quarter by adding in accruals (commitments) which relate to that quarter but have been made after 30 June (eg additional staff hours worked in June but paid in April), with similar adjustments for income received after that date. Further adjustments are made for prepayments, where a payment made in the quarter includes

expenditure in advance of it being used, and receipts in advance (eg the full annual precept).

It is intended to use this more accurate method of accounting in all future budget monitoring and the closure of the annual accounts. It will take a full annual cycle for this system to settle down as several of these adjustments were not made at the end of 2017/18 and therefore have not been brought forward into 2018/19.

- The variance between the actual income and expenditure and the profiled budget for the quarter. Variances are expressed as favourable (positive) where there is an underspending or increased income, and as adverse (negative and bracketed) where there is an overspending or reduced income.
- The position on the Council's two reserves, its General Reserve and its Devolved Services Reserve, at the end of the quarter. It is assumed that the contribution from the annual budget to the latter reserve will take place on 31 March 2019 as part of the closure of the year's accounts.

## **C. Commentary**

### **C.1 Total Income**

The full annual precept and CTRS grant have been received from Eden DC; one quarter of each, totalling £106,450, has been accounted for in the period, in line with budget.

### **C.2 Planning Committee**

No expenditure is shown against the Committee's budget headings; this was expected as the profiled budget is £nil.

- The majority of the Committee's spend is related to the production of the Neighbourhood Plan and the budget is mainly profiled in the second half of the year.

### **C.3 CCEG Committee**

Net spend of £10,248 is shown against the profiled budget of £12,625, a variance of £2,377.

- The Sports & Recreation, Arts & Entertainment and Tourism budgets are profiled for later in the year and there has been no expenditure against any of these headings.
- Otherwise, there are small underspendings of £1,260 and £1,117 on Environment and Grants respectively.

## C.4 Finance Committee

Net expenditure of £72,235 is shown against the budget to date of £66,658, an overspending of £5,577.

- The Staffing budget is overspent by £5,111. This includes the effect of the April 2018 pay award, approximately £1,000, however further analysis is needed to identify whether there is an underlying problem with the estimate.
- Other than the new Armistice Centenary Project, there has been minimal expenditure on Civic Functions, which record a £690 underspend.
- There is currently an overspending of £850 on IT, mainly due to additional expenditure on hardware. It is expected that this position will be recovered during the remainder of the year.
- The main variance on Corporate Communications is an overspending of £569 on Community Engagement, arising from the £1,069 cost of mailing the Council newsletter. The current budget will not be sufficient to contain this method of distribution in future.
- The overall Devolved Services budget is underspent by £515:
  - An overspending on Allotments is mainly due to £732 expenditure on hedge replanting and safety fencing replacement at Folly Lane.
  - After allowing for additional general income and a contribution from Eden DC, Bus Shelters show a £1,134 overspending, mainly due to the £1,547 net cost of the replacement shelter at Scotland Road.
  - Additional income from Eden DC for the Bandstand has resulted in a £790 underspending.
  - Fairhill Park shows a net underspending of £1,709: expenditure is £841 below estimate and there has been £868 additional income from Eden DC.
  - Income of £8,499 has been received from the sale of land at Fairhill to United Utilities; £4,500 of this has been reserved for the Community Group and £3,999 for future planting maintenance at the Park.
  - The Community Caretaker role began in June, with a charge of £213 for the first month; a budget for this will need to be created in 2019/20.
- Although the full year's budget of £2,000 for Data Protection (GDPR) has been allocated to the first quarter, this has been exceeded by £1,506. Most of the costs are one-off, but the ongoing commitment will need to be identified.

- To date there has been little spend on Repairs and Renewals, resulting in a £995 underspending.

### **C.5 Contingency**

- The profiled portion of the contingency provision, £1,199, is shown as fully underspent as costs are allocated to the correct budget heading.

### **C.6 Total Expenditure & Increase/Decrease in General Reserve**

- The individual budget variations result in a small net overspending of £2,001 against the profiled budget of £80,482. As there is a nil variance on income, the £2,001 shows as a negative variation on the amount transferred to the General Reserve.

### **C.7 Reserves**

- The amended budget includes the actual opening reserve balance from the 2017/18 Accounts. The General Reserve opened the year at £191,741; the profiled budget assumes that this would be increased by £25,968 in the quarter, resulting in a balance of £217,709 at 30 June. The actual balance to the quarter end is £215,708, which is £2,001 lower than expected.

### **C.8 Devolved Services Reserve**

- The budget assumes that a reserve is established to provide support for devolved services in the future. The contribution, budgeted as £41,939, should be made in the final quarter of the year.

## **D. Balance Sheet (Appendix B)**

Appendix B shows the Council's balance sheet as at 30 June 2018. The following points may be noted:

- The investment of £138,170 is with the Penrith Building Society.
- The main debtor balance is £5,390 VAT, which will be recovered from HMRC.
- Prepayments of £7,400 include adjustments for insurance, IT licences and maintenance agreements.
- The Cash at Bank figure of £422,307, is relatively high because it includes precept income for the full financial year.
- Creditors of £6,925 represent trade invoices for goods or services received in the quarter but paid for after 30 June; the Accruals of £4,203 are similar adjustments where there are no invoices, eg staff salaries.

- The Payroll Control balance of £7,091 is due to HMRC for income tax and national insurance and to Cumbria Pension Fund for superannuation.
- The Receipts in Advance figure of £340,901 comprises income for subsequent quarters, received from Eden DC as precept or devolved services grants, together with £8,499 from United Utilities for land at Fairhill.

### **E. Conclusion**

It is too early in the financial year to identify any trends in expenditure patterns, however the budgetary control statement shows that spending for the first quarter is close to the profiled budget for the period. Additionally, there are no concerns arising from the Council's balance sheet at 30 June.

This report has introduced a new format for budget statements. The Committee is asked to consider whether it is appropriate for their needs, in particular the level of detail shown.

## **18. FINANCE IMPLICATIONS**

This report is concerned solely with financial management.

## **19. RISK ASSESSMENT**

<b>Risk</b>	<b>Consequence</b>	<b>Controls Required</b>
Income and expenditure are not monitored regularly	The Council may fail to receive expected income or may incur unexpected overspending, potentially leading to the curtailment of planned expenditure	A sound budgetary control system with regular reporting and identification of issues

## **20. BACKGROUND PAPERS**

Transaction and trial balance reports from the Sage accountancy system

Budgetary control working papers

## **21. OFFICER CONTACT DETAILS**

Responsible Finance Officer – Jack Jones

Tel: 01768 425852

Email: [rfo@penrithtowncouncil.co.uk](mailto:rfo@penrithtowncouncil.co.uk)



## Penrith Town Council

### BUDGETARY CONTROL STATEMENT: THREE MONTHS ENDED 30 JUNE 2018

AMENDED BUDGET 2018/19	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£		£	£	£
	<b>INCOME</b>			
	<b>Precept:</b>			
417,739	Council Tax	104,435	104,435	0
8,058	<b>EDC - CTRS Grant</b>	2,015	2,015	0
	<b>Other Income:</b>			
0	Investment Interest	0	0	0
0	Miscellaneous Income	0	0	0
<b>425,797</b>	<b>TOTAL INCOME</b>	<b>106,450</b>	<b>106,450</b>	<b>0</b>
	<b>EXPENDITURE</b>			
	<b>PLANNING COMMITTEE:</b>			
8,000	Officer Support	0	0	0
9,500	Planning Consultancy	0	0	0
23,500	Consultation	0	0	0
<b>41,000</b>	<b>Planning Committee Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>CCEG COMMITTEE:</b>			
	<b>Sports &amp; Recreation:</b>			
30,000	Castle Park Development Group	0	0	0
	<b>Arts &amp; Entertainment:</b>			
5,000	Officer support	0	0	0
60,000	Devolved events grants	0	0	0
(23,000)	Devolved events EDC grant income	0	0	0
42,000		0	0	0
	<b>Environment:</b>			
8,000	Penrith in Bloom	1,500	908	592
25,000	Britain in Bloom	4,000	3,582	418
1,000	Community gardeners/greening	250	0	250
34,000		5,750	4,490	1,260
	<b>Tourism:</b>			
10,000	Inward Investment	0	0	0
27,500	<b>Grants</b>	6,875	5,758	1,117
<b>143,500</b>	<b>CCEG Committee Total</b>	<b>12,625</b>	<b>10,248</b>	<b>2,377</b>
	<b>FINANCE COMMITTEE:</b>			
	<b>Staffing:</b>			
148,394	Salaries	37,099	40,991	(3,892)
8,904	National Insurance	2,226	3,981	(1,755)
29,069	Superannuation	7,267	7,103	164
2,000	Training & Expenses	500	128	372
188,367		47,092	52,203	(5,111)
	<b>Accommodation:</b>			
7,500	Rent	1,875	1,875	0
1,800	Heat, Light & Water	450	316	134
600	Service Charges	150	517	(367)
210	Room Hire	53	90	(37)
300	Insurances	75	79	(4)
0	Letting Income	0	0	0
10,410		2,603	2,877	(274)
	<b>Civic Functions:</b>			
1,500	Civic Functions	375	0	375
1,000	Mayoral Expenses	125	0	125
500	Deputy Mayor's Expenses	75	135	(60)
0	Civic Regalia	1,000	1,000	0
0	Anniversary Centenary Project Fund	1,825	1,135	690
<b>13,300</b>				

AMENDED BUDGET 2018/19	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£		£	£	£
300	Cost of Democracy: Annual Meeting	75	66	9
0	Elections	0	0	0
200	Members' Expenses	50	115	(65)
500	Notice/Honours Board	125	181	.
1,000		250		.
14,280	IT	4,320	5,170	(850)
	Corporate Communications:		0	125
				69
750	Advertising	188	456	(268)
750	Website	188	38	150
1,250	Community Engagement	500	1,069	(569)
1,000	Press Support	250	0	250
750	Signage, etc	188	0	188 (249)
4,500		1,314	1,563	.
	Devolved Services:			
(1,400)	Bring Site	(350)	(350)	0
450	Allotments	113	920	(807)
25	War Memorial	6	(19)	25
375	Benches	94	0	94
195	Bus Shelters	49	1,183	(1,134)
558	Bandstand	140	(650)	790
202	Monument	51	0	51
3,250	Fairhill Park	813	(896)	1,709
0	Toilets	0	0	0
0	Play Areas	0	0	0
0	Coronation Gardens	0	0	0
0	Fairhill United Utilities Planting Maintenance	0	0	0
0	Community Caretaker	0	213	(213)
41,939	Contribution to Devolution Reserve		401	515
45,594		0	0	0
		916		

2,000	Data Protection (GDPR) Other Overheads:	2,000	3,506	(1,506)
1,800	Printing, Postage & Stationery	450	804	(354)
1,500	Audit Fees	375	227	148
2,300	Insurance	575	268	307
0	Bank Charges & Interest	0	35	(35)
7,700	Accountancy Fees	2,500	2,395	105
3,000	Legal Fees	750	870	(120)
250	Licences	63	0	63
1,500	Subscriptions	375	345	30
18,050		5,088	4,944	144
5,000	Repairs & Renewals	1,250	255	995
302,501	Finance Committee Total	66,658		(5,577)
	Contingency		0	
4,796			72,235	
	TOTAL EXPENDITURE	1,199		1,199
491,797	INCREASE/(DECR) IN GENERAL RESERVE	80,482	82,483	(2,001)
	RESERVES:			
(66,000)	General Reserve:	25,968	23,967	(2,001)
191,741	Balance brought forward 1 April 2018	191,741	191,741	0
(66,000)	Increase/(decrease) in year	25,968	23,967	(2,001)
125,741	Balance carried forward 31 March 2019	217,709	215,708	(2,001)
	Devolution Reserve:			
0	Balance brought forward 1 April 2018	0	0	0
41,939	Contribution from 2018/19 Budget	0	0	0
41,939	Balance carried forward 31 March 2019	0	0	0

## Appendix B



# Penrith Town Council

BALANCE SHEET AS AT 30 JUNE 2018

	£	£
Investments		138,169.50
Current Assets		
Debtors	1,561.25	
Debtor - VAT	5,389.96	
Prepayments	7,400.21	
Cash at bank	<u>422,307.48</u>	
	436,658.90	Current
Liabilities		
Creditors	6,924.74	
Accruals	4,202.70	
Payroll Control	7,091.12	
Receipts in Advance	<u>340,901.00</u>	
	359,119.56	
Net Current Assets		77,539.34
		<u>215,708.84</u>
Represented by:		
Reserves		
General Reserve		215,708.84
Devolution Reserve		0.00
		<u>215,708.84</u>



# Penrith Town Council

**FINANCE COMMITTEE 10 September 2018**

**EDEN DISTRICT COUNCIL SIGNATURE PROJECTS FUND**

**AUTHOR: Ian Parker – Services and Contracts Manager**

**LEAD COUNCILLOR: CLLR JACKSON**

**ITEM NUMBER: 14**

## **RECOMMENDATIONS**

The Committee is asked to determine whether the Council:

- II.** Seeks to make its own application to the Eden District Council Signature Projects Fund, and if so agrees a specific project.
- III.** Agrees to act as the Accountable Body for Penrith Football Club to enable an application to the Eden District Council Signature Projects Fund be made for improvements to the exterior fencing at Frenchfield Park.

## **4. LAW: LINK TO COUNCIL**

<b>Subject</b>	<b>Power</b>	<b>Legislation</b>
Recreation	Power to provide a wide range of recreational facilities	Open Spaces Act 1906 Local Government Act 1976

## **5. LINKS TO COUNCIL PRIORITIES**

This report addresses the Health and Wellbeing strategic priority and meets the aim to support and contribute to the social fabric of the town, enhancing community facilities.

## **6. BACKGROUND**

### **Introduction to the Fund**

- 6.1** The Signature Projects Fund is a one-off fund that has been established by Eden District Council to help support innovative projects.
- 6.2** Applications to the Fund are invited from Town Council's for their own projects or as an accountable body for community groups and organisations seeking funding to progress their own projects.
- 6.3** The one-off fund is available in the 2018/19 financial year, and invites grants to be applied for between £10,001 and £100,000. A total of £300,000 is being made available by Eden District Council.
- 6.4** Applications must come from Town or Parish Council's only, where up to 75% of the total costs can be applied for to a maximum of £100k. Applicants must secure 25% as partnership funding.

### **Criteria for Funding**

- 6.5** Town Council's can apply to the fund to progress their own project ideas.
- 6.6** Community Groups wishing to apply to the Fund will need to seek the approval of the Town Council to apply on their behalf and be the accountable body for the project.
- 6.7** Applicants are required to have a bank account in their own name, with a minimum of two unrelated signatories and hold appropriate insurance cover.
- 6.8** Applicants are required to provide at the time of making an application three written quotes for all items of expenditure.

### **Decision Making Process**

- 6.9** Prospective applicants are required to express an interest with Eden District Council no later than the 03 September. So far, the Town Council has expressed an interest, but not for a specific project.
- 6.10** Eden District Council sets out to meet all prospective applicants in early October to discuss the projects in more detail; and the finalised applications are to be submitted on the 02 November 2018.
- 6.11** Applications will be presented in summary format to the Eden District Council Executive who will determine the outcome of the grant applications.

## **Conditions of Grant**

- 6.12** Successful applicants will have two years to complete their project, with grants having to be spent in accordance with the grant application and award.
- 6.13** A group ceasing to operate or failing to fulfil the delivery of the project risks EDC withholding payment, reduce an award or seek recovery of funds.
- 6.14** EDC should be acknowledged in all media publications.

## **Project Proposals**

- 6.15** The Council may wish to determine to make its own submission to the fund. If this is to be the case then the following are potential project ideas which the Council may wish to consider, yet are not exhaustive:
- Access Paths, entrance improvements at Fairhill Playing Field
  - Town Centre Regeneration including new street furniture
  - Improved Play Provision at Castle Park
- 6.16** The Council has so far been approached by one community group, requesting that the Council supports its project and requests that the Council agrees to act as an accountable body for it. The organisation is Penrith Football Club who are seeking to provide new exterior ball stop fencing around the perimeter of their stadium at Frenchfield Park.
- 6.17** Penrith AFC will await the decision of this Council before working with officers to complete the application forms. The club are already seeking quotations for the new fencing. They are also in discussion with the Football Association and are considering making an application to the FA's Football Stadium Improvement Fund either as the main or partnership funding.

## **Liaison with EDC**

- 6.18** So far Council officers have liaised with EDC officers to gain a greater understanding about the aims of the Signature Projects Fund.
- 6.19** So far, the role of the Town Council as the accountable body is not set out in writing, yet it is anticipated that the Town Council would be the applicant in this instance with any grant being made to the Town Council. The Town Council would be required to satisfy itself that any third-party community group had the capability to deliver the project and ensure that the finances including the grant, partnership funding and any contingencies in the event of an overspend are robust with all confirmations in place. It would be most likely that a Service Level Agreement would be prepared between the Town Council and the Community Group.

**6.20** EDC did outline that in the case of capital projects stage payments could be made therefore assisting with the Town Council's cash flow.

**6.21** Whilst it is appreciated that there remains some unanswered questions about the process and the role of the accountable body, it is considered important at this stage to seek Council approval to be both aware of the fund and be asked to consider at this stage whether the Council seeks to make its own application and or is willing to officially partner and support an application with Penrith Football Club.

## **7. FINANCE IMPLICATIONS**

**7.1** There is no direct cost associated with this report.

**7.2** The Signature Projects fund invites grant applications of between £10,001 and £100,000, with a minimum of 25% matched funding required to support any grant approved by Eden District Council

## **8. RISK ASSESSMENT**

<b>Risk</b>	<b>Consequence</b>	<b>Controls Required</b>
Accountable Body	Time, cost, financial liabilities arising from being an accountable body for a third party.	EDC to present clearer requirements of an accountable body prior to any award of grant being accepted
Staff Capacity	Limited staff capacity to manage and monitor the project, particularly where a third party is involved.	Terms and Conditions of Grant presented by EDC.  SLA to be prepared between Penrith Town Council and third-party community group following an award of grant.
Reputational	Should the project be undelivered or meet unforeseen costs there will be reputational damage to the Council	Robust quotations for works.  Evidence of contingency plan and budget in place

	and affect relations between the Council and any third-party group	Statutory permissions known and obtained  SLA and regular monitoring meetings
Recognition	No recognition of the Town Council's role within the project as the end beneficiary is the community group, and the publicity credit is required to go to the main grant provider which is EDC	Marketing and publicity plan to be agreed, crediting the Town Council role in the project.
Third Party Organisation ceasing to be in existence	Project could not be delivered, potentially exposing the accountable body to financial costs, repayment of grant	Role of the Accountable Body to be better understood.  SLA with third party group prior to commencement of any works  Analysis of third party organisation accounts

## Officer contact Details

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