

EXMOUTH TOWN COUNCIL

MINUTES OF A MEETING OF EXMOUTH TOWN COUNCIL FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBER AT EXMOUTH TOWN HALL ON THURSDAY 23RD MAY 2019

PRESENT: Councillors: B Bailey
F Cullis
L Elson
S Gazzard
C Nicholas
M Rosser
A Sadiq (Chair)
B Toye
J Whipps

OBSERVER: Councillor: A Bailey

Officers: Lisa Bowman - Town Clerk, Julie Gregory – Minute Taker

F19/039 ELECTION OF CHAIRMAN

Cllr F Cullis proposed, and Cllr B Toye seconded that Cllr A Sadiq be elected as Chairman of the Town Council Finance Committee for the ensuing municipal year.

No further nominations were received.

Following the nomination, a vote was taken and Cllr A Sadiq was duly elected as Chairman of the Town Council Finance Committee for the ensuing year.

F19/040 APOLOGIES

Cllr P Miller

F19/041 MINUTES OF THE MEETING HELD ON 7th FEBRUARY 2019

The Minutes of the meeting held on 7th February 2019 were approved and signed as a correct record. Proposed by Cllr L Elson & seconded by Cllr C Nicholas.

F19/042 MATTERS ARISING FROM FINANCE COMMITTEE MEETING

Councillor Lynne Elson asked if any progress had been made in terms of contacting those organisations which had contributed to the initial funding pot for the patrol boat expenses. The RFO reported that nothing would happen until Exeter City Council appointed a Harbour Master and the funds would sit in reserves until that time.

F19/043 DECLARATIONS OF PECUNIARY INTEREST AND DISPENSATION

Item	Councillor	Declaration type		Reason
		Pecuniary	Personal	
11	L Elson	X		Treasurer Exmouth & District Community Partnership
11	C Nicholas	X		Exmouth & District Community Partnership
14	S Gazzard		X	Town Crier helps with Organ Donor sign up

F19/044 EXCLUSION OF THE PRESS AND PUBLIC

There were no items to be dealt with that necessitated the exclusion of the press and public.

F19/045 REPORT FROM THE RESPONSIBLE FINANCE OFFICER

The Responsible Financial Officer had previously circulated a Financial Report which included an Income and Expenditure Report, bank balances and a summary of funds which are held on behalf of the Council's charitable trusts.

F19/046 TO RECEIVE THE STATEMENT OF INCOME AND EXPENDITURE AGAINST BUDGET AND REVIEW THE RECONCILIATION OF ACCOUNTS AGAINST BANK STATEMENTS

The RFO reported that there were no areas of concern and no specific queries were raised by members.

Councillors were also asked to review Earmarked Reserves with the outcome that Cllr C Nicholas asked that money be put into Earmarked Reserves next year for Repairs & Renewals. A discussion took place regarding the Town Council's accrued CIL income and the RFO was asked to clarify the process for determining how this income would be spent. The RFO advised that there is an assumption that the Neighbourhood Plan will inform CIL spending priorities and that it would make sense for the existing S106 working party to consider this as part of an extended remit as there were strict rules on what it could be used for.

Cllr C Nicholas also asked if the underspend from the Communities Together Fund 2018/19 could be combined with some of the Town Council's grant allocation to set up a Communities Together (Dragons Den) Fund for 2019/20. The RFO suggested that £5k from the Solar Park income could instead be used to supplement the funding pot and it was decided that this should be put on the next agenda of the Finance Committee for discussion.

The RFO reported that in respect of the Council's trust fund accounts, the Town Council's internal auditors, Thomas Westcott, had been asked if they had anyone with expertise in trust funds who could help to look at the legacy requirements. The RFO will report back to the Finance Committee.

Cllr F Cullis checked the printed bank statements against the bank reconciliation on behalf of the Committee and confirmed they matched the funds reported.

A list of payments for the months of January, February & March had been circulated for information and were noted and authorised.

F19/047 APPLICATIONS FOR GRANTS

The committee discussed the following grant application and recommended

Applicant	Description	Amount Requested	Amount Approved
Exmouth Gig Rowing Club	Contribution towards cost of hosting Exmouth Gig Rowing Regatta	£1020.00	Deferred – RFO to obtain year end accounts & bank statements
South West Band Association	Contribution towards cost of hosting 20 th Exmouth Brass Band Festival	£520.00	£520.00 Proposed by Cllr J Whipps & seconded by Cllr L Elson
Open Door Exmouth	Cost of replacement dishwasher/steriliser	£1500.00	£1500.00 Proposed by Cllr B Bailey & seconded by Cllr J Whipps
Exmouth Amateur Boxing Club	Contribution towards cost of purchasing tracksuits	£1260.00	Deferred – RFO to ask for quotation for the tracksuits

F19/048 TO RATIFY A CONTRIBUTION OF £5,038.46 TO EXMOUTH & DISTRICT COMMUNITY TRANSPORT GROUP.

The RFO explained that Exmouth Town Council had entered into a three-year service level agreement with EDCTG in 2017 @ £5000 per annum, however sums requested are adjusted each year in line with the Council Tax base and operating costs. The requested amount for 2019/20 therefore exceeded the approved £5000 and authorisation was being sought to pay an enhanced sum.

RESOLVED: that £5,038.46 be paid to EDCTG

PROPOSED: CLLR B BAILEY

SECONDED: CLLR S GAZZARD

F19/049 REVIEW OF RISK MANAGEMENT POLICY AND RISK ASSESSMENT

The Risk Management policy and risk assessment report were presented to members for review. It was agreed that the Council's banking arrangements should be reviewed in the context of the Financial Services Compensation

Scheme (FSCS), under which only £85,000 per institution is now protected if a bank, building society or credit union goes bust.

F19/050 TO NOTE THE TRANSITIONAL ARRANGEMENTS FOR THE COUNCIL'S BANK MANDATE AND RATIFY THAT CLLRS CHERRY NICHOLAS AND BRUCE DE SARAM SHOULD REMAIN AS AUTHORISED SIGNATORIES UNTIL SUCH TIMES AS THE MANDATE CAN BE UPDATED AND NEW SIGNATORIES ADDED.

This was duly noted and approved.

F19/051 TO CONSIDER A QUOTATION FROM SARA RADFORD FOR NEW ROBES FOR THE TOWN CRIER @ £950

Members were asked to consider and approve a quotation from Sara Radford for a new set of robes for the Town Crier @ £950.

It was discussed and agreed that both the Mayor & Deputy Mayor's Robes were also in need of repair /replacement and it was subsequently proposed by Cllr C Nicholas and seconded by Cllr B Bailey that the RFO should be given delegated authority to arrange for all three sets of robes to be repaired/ replaced as necessary.

Proposed: Cllr C Nicholas

Seconded: Cllr B Bailey

F19/052 DATE OF NEXT MEETING

The date of the next meeting is 15th August 2019

The meeting closed at 7.25pm

SIGNED.....
Chairman

DATED.....



EXMOUTH TOWN COUNCIL
RISK MANAGEMENT POLICY
AND RISK ASSESSMENT
MAY 2019

Signed:

Mayor of Exmouth Town Council

Date:

Review Date: April 2020

RISK MANAGEMENT POLICY

Exmouth Town Council is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are maintained at an acceptable level.

The Clerk will review risks on a regular basis, including any newly identified risks, and will report to the Town Council. The review will include identification of any unacceptable levels of risk.

“Governance and Accountability for Local Councils: A Practitioners’ Guide” makes the following observations regarding risk management:

As part of the Annual Governance Statement, the Council needs to assert that it “has carried out an assessment of the risks facing this smaller authority and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.”

In order to warrant a positive response to this assertion, the authority needs to have the following arrangements in place:

- **Identifying and assessing risks.** The authority 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 authority needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk.

This might include the introduction of internal controls and/or appropriate use of insurance cover.

Members are ultimately responsible for risk management because risks threaten the achievement of policy objectives.

As a minimum, *at least once each year*, **members** should: -

- a. take steps to identify and update their record of key risks facing the Council
- b. evaluate the potential consequences to the Council if an event identified as a risk takes place
- c. decide upon appropriate measures to avoid, reduce or control the risk or its consequences and
- d. record any conclusions or decisions reached.

To identify the risks facing a council, Guidance recommends grouping the three main types of decisions that have to be taken into the following areas:

- (i) Areas where there may be scope to use insurance to help manage risk
- (ii) Areas where there may be scope to work with others to help manage risk
- (ii) Areas where there may be need to self-manage risk.

SECTION 1

AREAS WHERE THERE MAY BE SCOPE TO USE INSURANCE TO HELP MANAGE RISK

1A RISK IDENTIFICATION

a) Protection of physical assets e.g. buildings, furniture, equipment (loss or damage)

All physical assets are insured with Aviva under Policy: 24551708 CCI

A fire alarm is installed at Exmouth Town Hall and a security alarm system with pass activated locked doors protects the Town Council's most valuable assets (housed in the Town Council safe). CCTV is installed throughout the building. Access to keys is limited to a minimum number of key staff.

b) Risk of damage to third party property or individuals as a result of the Council providing services or amenities to the public (public liability)

Exmouth Town Council has a Public Liability Insurance of £10,000,000. It also has personal accident liability and business travel cover for employees, members and volunteers under the above policy.

c) Risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss)

Business interruption is included in our insurance policy cover.

d) Loss of cash through theft or dishonesty (employee dishonesty /fidelity guarantee)

The Council has Fidelity Guarantee cover up to £1,000,000 for both members and employees.

e) Legal liability as a consequence of asset ownership (public liability)

See (b) above

1B INTERNAL CONTROLS

a) Maintain an up-to- date register of Assets and investments

An Asset Register is compiled annually by the Responsible Financial Officer and presented to the Council with the Annual Accounts each year. The asset register was reviewed and updated as part of the year end accounting processes, the last being in May 2019.

b) Regular maintenance arrangements for physical assets

The Office Manager (Sue Cody) undertakes regular inspections of Gorfin Hall. Members of the Town Hall reception team undertake regular visits to the Magnolia Kiosk. County Councillor Jeff Trail is nominated to inspect and report on the Clock Tower in his capacity as Chairman of the Flag Pole and War Memorial Committee. The Allotment Association has delegated authority for the maintenance of the Council's allotment sites at Pound Lane and Hamilton Lane; however the Town Clerk physically inspects the allotments twice yearly. Maintenance of buildings, sites and equipment is undertaken on a responsive basis, in addition to budgeted Capital Projects for major refurbishment.

c) Annual Review of risk and the adequacy of insurance cover

The Responsible Financial Officer (RFO) in conjunction with the Chairman of the Finance Committee reviews the insurance cover annually, makes recommendations to the Town Council and updates cover as required. Exmouth Town Council's insurance cover was reviewed and updated in October 2018.

d) Ensuring robustness of insurance providers

Exmouth Town Council currently uses Aviva (currently tied in until October 2022) which is considered to be a robust provider. Other providers will be considered.

1C INTERNAL AUDIT ASSURANCE

a) Review of internal controls in place and their documentation

Internal controls are reviewed as necessary by the Clerk and Internal Auditor. Recommendations from the Clerk and Internal Auditor are submitted to the Finance Committee / Full Council.

b) Review of management arrangements regarding insurance cover

This forms part of the Finance Committee review at time of annual renewal.

c) Testing of specific internal controls and reporting findings to management

This is undertaken as part of the audit process. Reports are presented to the Finance Committee / Full Council and minuted accordingly.

SECTION 2

AREAS WHERE THERE MAY BE SCOPE TO WORK WITH OTHERS TO HELP MANAGE RISK

2A RISK IDENTIFICATION

a) Security for vulnerable buildings, amenities or equipment

Exmouth Town Council's office is located in Exmouth Town Hall, which is owned by East Devon District Council. The current lease expires in January 2023 with a break-out clause after two years. The Town Council's office is only partially exclusive and shared common parts are accessible by members of the public and other tenants of the building. The Clerk ensures the Council's office is secure on exit via the side door. The District Council is responsible for locking the main door as well as ensuring the building is secure through its daily sweep of the building provided by their security staff.

b) Maintenance for buildings, amenities or equipment

Exmouth Town Hall is maintained by East Devon District Council and the District Council is responsible for maintaining the premises as a whole. As per its lease terms, the Town Council contributes a fair proportion towards the running costs of the Town Hall. The Town Council is responsible for maintaining its own demise.

c) The provision of services being carried out under agency/partnership agreements with principal authority

The Town Council provides a reception service for its services only and the reception is located on the first floor. East Devon District Council provides the main reception service for all entering via the main door as well as their own Housing and Benefits department. The Town Council is open to members of the public between 9am and 5pm Monday to Thursday and 9am and 4.30pm on Friday. Additionally, the Town Council acts as an agent for East Devon District Council for the purposes of viewing planning applications, issuing of car parking passes and inspection of the Electoral register.

d) Banking arrangements including borrowing or lending

Reviewed annually by the Finance Committee. All cheques and electronic payments are signed/ authorised by two mandated members. The Full Council reviews all schedules of payments at the monthly meetings. The Council operates an imprest petty cash system. The Town Council has no loans.

e) Ad-hoc provision of amenities/facilities for events for local community groups

The Council has approved the use of Gorfin Hall for local organisations, both on a charge and, occasionally, on a free-of charge basis.

f) Trading units

The Council has no trading units.

g) Professional services, contractors etc.

The Council endeavours to ensure that wherever possible it has the opportunity to select (from several) the provider of any professional service it requires. Any professionals whose services it uses are well established and often selected on recommendation. Ideally a short-list of three is drawn up.

2B INTERNAL CONTROLS

a) Standing Orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment

The Council has Standing Orders that govern the awarding of contracts. Updated Financial Regulations and Standing Orders were reviewed by the Council at a Meeting of the Full Council held on May 13th, 2019 and will be adopted at the meeting of the Full Council on 10th June 2019.

b) Regular reporting on performance by contractors/suppliers

Exmouth Town Council has contracts in place for the following services:

- Gorfin Hall cleaning
- Flower Tower planting
- IT support
- Website hosting
- Seafront Festoon Light maintenance
- Christmas Lights
- Insurance cover

c) Annual Review of contracts

Contracts are reviewed on renewal (not necessarily annually) by the Town Council or as part of its annual budget process.

d) Clear statements of management responsibility for each service

This is generally, but not always, covered by a Statement of Works.

e) Regular scrutiny of performance against targets

By their nature, none of the Council's contracts have specified performance targets. Contractor reports are currently delivered on an ad-hoc basis to the Council by the Town Clerk.

f) Adoption of and adherence to codes of practice for procurement and investment

Exmouth Town Council's Financial Regulations provide a detailed procurement process, which is tested as part of the internal audit process.

An Investment Strategy was reviewed by the Town Clerk and Chairman of Finance Committee and it was agreed no further updates were required since the last approved Strategy in May 2015.

g) Arrangements to detect and deter fraud and/or corruption.

Invoices are subjected to scrutiny by both the RFO and the cheque signatories.

h) Regular bank reconciliation, independently reviewed

Bank statements are received monthly and are checked by the Accounts Officer (Julie Gregory). Reconciliation is undertaken and recorded on bank statements, copies of which are presented to the Finance Committee for inspection by a Councillor.

2C INTERNAL AUDIT ASSURANCE

Exmouth Town Council appointed David Hinchliff as its internal auditor for 2018/19 but following Mr Hinchliffe's death in March 2019, the Council has appointed Thomas Westcott to complete the internal audit for the current financial year.

a) Review of internal controls in place and their documentation

Internal controls are reviewed as necessary by the Clerk and Internal Auditor.

Recommendations from the Clerk and Internal Auditor are submitted to Council through its Finance Committee or Full Council.

b) Review of minutes to ensure legal powers are available and the basis of the powers recorded and correctly applied

The Clerk (who holds the Certificate in Local Council Administration) advises the Council to ensure that it does not act 'Ultra Vires' (outside of its powers) when a decision is taken. Where appropriate, legal powers bestowed on the council will be recorded in the minutes against decisions taken. The minutes of meetings are also reviewed during the internal audit process

c) Review and testing of arrangements to prevent and detect fraud and corruption

The use of Standing Orders, internal controls and consideration by Council are all methods that contribute to prevent and deter fraud and corruption

d) Review of adequacy of insurance cover provided by suppliers

Any contractors working for the Council are asked for proof of insurance cover.

e) Testing of specific internal controls and report findings to management

This is undertaken as part of the audit process. Reports are presented to the Finance Committee / Full Council and minuted accordingly.

SECTION 3

AREAS WHERE THERE MAY BE A NEED TO SELF-MANAGE RISK

3A RISK IDENTIFICATION

a) Keeping proper financial records in accordance with statutory requirements

Financial records kept in accordance with the statutory requirements fall within the responsibility of the Finance Committee and are reviewed as part of the Audit process

b) Ensuring all business activities are within legal powers applicable to parish councils

See Section 2 Internal Audit Assurance (b)

c) Complying with restrictions on borrowing

The Council has no loans.

d) Ensuring that all requirements are met under employment law and regulations

The HR Group Working Party is responsible for reviewing staff contracts and other matters relating to employment, which it reports to Full Council. Where appropriate, it seeks advice from HR One, which provides independent employment support for the following:

Terms and Conditions for local government staff

Day to day problematic employee relations

Consultancy on job evaluation / pay and grading

Disciplinary and grievance investigations

Pre-Tribunal Conciliation

Mediation and Conflict Resolution

Conferences and Workshops

Salary forecasts are undertaken as part of the budget setting process and incremental increases are approved by the Town Council.

e) Ensuring all requirements are met under HM Revenue and Customs Notices and regulations (Income Tax, National Insurance and VAT)

East Devon District Council provides payroll and pension administration services for the Town Council, which is subject to internal audit.

f) Ensuring the adequacy of the annual precept within sound budgeting arrangements

The Clerk/RFO prepares a draft budget proposal for review with the Chairman of the Finance Committee. This is put to the Finance Committee for final recommendations and approved by full Council in accordance with the Council's budget setting procedure.

g) Monitoring of performance against agreed standards under partnership agreements

See Section 2 Internal Controls (b) and (d)

h) Ensuring the proper use of funds granted to local community bodies under specific powers or Section 137

Grant applications are considered by the Finance Committee and listed separately in the accounts. The Council re-stated its eligibility to use the General Power of Competence on 13th May, 2019.

i) Proper, timely and accurate reporting of the Council business in the minutes

Council minutes are prepared by the Deputy Clerk. They are distributed to members in advance of the subsequent meeting, verified as a correct record and signed at the meeting. Actions and recommendations from committee minutes are adopted at the next council meeting. Committee minutes are approved and signed as a correct record at the next full council meeting

j) Responding to electors wishing to exercise their rights of inspection

The rights of inspection by electors are adhered to in accordance with current legislation. In accordance with the Freedom of Information Act, all relevant documents are available on request (during office hours) or by post and in addition, meeting schedules and minutes plus Policies are available on the council's website.

These are reviewed periodically.

k) Meeting the laid down timetables when responding to consultation invitations

Every effort is made to meet specified timetables when responding to consultation invitations.

l) Meeting the requirements for Quality Parish status or other accreditation

The Council has achieved Quality Council status (Foundation Level).

The Clerk and Deputy Clerk hold Certificates in Local Council Administration (CILCA)

m) Proper document control

Paperwork is retained in accordance with national guidelines and is available for viewing during office hours.

n) Register of members' interests and gifts and hospitality in place, complete, accurate and up to date

The members' general notice of registerable interests is held by East Devon District Council (EDDC) and a copy is held by the Clerk. They are published on the District Council's website.

It is the responsibility of members to advise the Clerk of changes to be notified to EDDC.

3B INTERNAL CONTROLS

a) Regular scrutiny of financial records and proper arrangements for the approval of expenditure

Comprehensive measures are in place for the internal and external approval of expenditure.

b) Recording in the minutes the precise powers under which expenditure is being approved

See Section 2 Internal Audit Assurance (b)

c Regular returns to HM Revenue and Customs; contracts of employment for all staff, annually reviewed by the Council, systems of updating records for any changes in relevant legislation

Returns are duly completed by the Council's accounts officer, together with the Clerk, on an annual basis. Salaries are calculated by EAST Devon District Council's Senior Payroll Services & Benefits Officer who has been provided with the necessary information by the Clerk and checked during internal audit.

Staffing issues are referred to the HR Working Group.

d) Regular returns of VAT; training the responsible officer in matters of VAT and other taxation issues as necessary

The Council's accounts officer prepares the VAT returns quarterly using the accounts recorded by the Clerk/RFO or Accounts Assistant on the RBS accounts computer package. The Council checks that the RFO receives adequate training in all financial matters that relate to council business.

e) Regular budget monitoring statements

The Clerk gives a report at the monthly Full Council Meetings.

f) Developing systems of performance measurement

Staff appraisals are undertaken annually, by the appropriate line manager. Areas of concern are reported to the HR Group Working Party.

g) Procedures for dealing with and monitoring grants, or loans, made or received

See Section 3. Risk Identification (h).

h) Minutes properly numbered and paginated with a master copy kept in safekeeping

All Council and Committee minutes are sequentially numbered and page numbered.

Master copies are loose leaf and made up into bound volumes annually, which are retained in the Council's safe.

Soft copies are retained on the Council's hard drive.

i) Documented procedures to deal with enquiries from the public

Calls and letters are dealt with as soon as practicable unless referred to Full Council or committee. In such cases, acknowledgement of enquiry is made.

j) Documented procedures to deal with responses to consultation requests

Consultation requests are referred to Full Council or the Regeneration and General Purposes committee, as appropriate. They may be further delegated to a working group. Copies of responses are available to all members on request.

k) Monitoring arrangements by the Council regarding Quality Council status

Exmouth Town Council is registered with the Local Council Award Scheme and has been awarded the Foundation Award.

l) Documented procedures for document receipt, circulation, response, handling and filing

Mail is often dealt with under delegated authority by the Clerk or referred to Full Council or a committee for consideration / information. Mail for action by administration staff is dealt with accordingly and filed when actions are completed.

m) Procedures in place for recording and monitoring members' interest and gifts and hospitality received

See Section 3. Risk Identification (n)

n) Adoption of Codes of Conduct for members and employees

The Council has adopted the East Devon District Council Model Code of Conduct.

Employees' Code of Conduct is in accordance with their individual contracts of employment. At present there is no other statutory code for employees.

3C INTERNAL AUDIT ASSURANCE

a) Review of internal controls in place and their documentation

Internal controls are reviewed as necessary by the Clerk and Internal Auditor.

Recommendations from the Clerk and Internal Auditor are submitted to Full Council.

b) Review of minutes to ensure legal powers in place, recorded and correctly applied

See Section 2 Internal Audit Assurance (b)

c) Testing of income and expenditure from minutes to RBS accounts package, from bank statements to RBS, from minutes to statements etc., including petty cash transactions

The testing of these procedures forms part of the internal controls currently in place.

The system is also tested during the audit process.

d) Review and testing of arrangements to prevent and detect fraud and corruption

See Table attached. Internal Audit Assurances (c)

e) Testing of specific internal controls and reporting findings to management

Where appropriate, the results of such testing as part of the internal controls will be reported to the appropriate committee or Full Council. Similar reporting to Council will be made as part of the internal audit.

Risk Assessment Report						
Area	Risk	Level		Agreed Controls	Review Frequency	Next Review Date
		Severity	Likelihood			
Cash Flow	Inadequate cash flow	Medium	Low	The Council has no income generating activities on which it relies for cash flow but all income (e.g associated with Gorfin Hall lettings) is banked promptly. Twice yearly receipts of precept payments from East Devon District Council are monitored by the Finance Administrator and an income and expenditure report is produced for the purpose of measuring performance against budget on a quarterly basis for Full Council with explanations given for variances, where necessary. A reserves policy is in place which covers earmarked and general reserves; general reserves have been increased in the current financial year to the recommended minimum.	Every quarter at Finance Committee for approval at Full Council Meetings	01/04/2020
Purchase and Payments	False creation or diversion of payments. Unauthorised payments.	High	Low	All purchases and payments are authorised in accordance with the Council's Financial Regulations and precise powers under which expenditure is authorised are included in the minutes if deemed unusual. Section 137 / grant payments are appropriately minuted and identified in the accounts. Invoices are checked against purchase orders by the Finance Administrator to confirm pricing and the receipt of goods or services ordered and payment vouchers are then generated for approval by the RFO in conjunction with two authorised signatories. All payments are subsequently made by cheque or BACS for which two authorised Councillor signatories are required. Cheque stubs are countersigned. Cheque books are kept in a secure place with access by nominated persons only. An expenditure report is produced for approval on a quarterly basis by Full Council.	Every quarter at Finance Committee for approval at Full Council Meetings	01/04/2020
Budget Process to underline Annual Precept Demands	Inadequate precept funding	Medium	Low	A draft annual budget is prepared by the RFO, with input from the Finance Administrator, Arts Manager and Town Management Project Manager, for approval by the Council's Accounts Sub-Committee. A final version of the draft budget is then considered and approved at a meeting of the Full Council in January from which a precept request is derived.	Annual	01/10/2019
Bank Statements and reconciliations	Bank / Financial Errors	Medium	Low	Bank statements are received on a monthly basis and are checked by the Financial Administrator upon receipt. The account is reconciled each month and checked by a Councillor on a quarterly basis at a Finance Committee Meeting.	Every quarter at Full Council Meetings	01/04/2019

Petty Cash	Loss of cash through theft or dishonesty	Medium	Low	Petty Cash is maintained at £346. Responsibilities for receiving cash, deposit preparation and posting activity to the general ledger in respect of Gorfin Hall, Magnolia Kiosk and Parking Permit receipts are separated. Festival income from the public is collected in sealed collection boxes and two unrelated people are involved in counting and recording the income, which is banked promptly. The Council has temporary increased insurance cover in place for the duration of the Festival.	Monthly	01/04/2019
VAT Returns	Compliance with HMRC Regulations	Low	Low	VAT claims are generated by the Finance Administration Officer using the RBS Omega accounting software and submitted quarterly online.	Quarterly	01/04/2019
PAYE and National Insurance Contributions	Compliance with HMRC Regulations	Low	Low	Payroll and pension administration services are subcontracted to East Devon District Council. There is a paper system of authorisation for recording and notifying starters and leavers, changes of hours and other payroll changes, which are pre-approved by the HR Group. Salaries are reviewed and agreed at least annually by the HR Group and any ensuing recommendations approved by Full Council.	Monthly	01/04/2020
Asset Register	Protection of physical assets		Medium	A comprehensive fixed asset inventory of all equipment owned by the Council is held and updated regularly. All assets are checked to ensure that they are in a good state of repair and appropriate insurance cover is arranged.	Annual	01/04/2020
Insurances	Inadequate Cover	Medium	Low	The RFO reviews the insurance cover in conjunction with the Lead Finance Councillor as part of the annual budgeting process. Provision is made for adequate business interruption cover	Annual	01/10/2019
End of Year Accounts and Audit Documentation	Annual Audit Return is not completed on time. Annual Audit Return is not advertised properly.	Medium	Low	Accounts to be prepared as soon as possible after the end of the Financial Year and signed off by Full Council before June 30th for external audit. Finance Administrator and Town Clerk to ensure Return published within legislative requirements.	Annual	01/06/2019
Internal Audit	Financial Controls and Records	Low	Low	An Independent Internal Auditor is appointed at the Annual Meeting of the Council.	Annual	01/04/2020
Computer Files	Loss of information	Low	Low	Files are backed up weekly to data tapes which are stored offsite. Computers automatically backed up daily.	Annual	01/04/2020
Document Safety	Loss of information	Low	Low	Deeds and minute books are stored in a fireproof safe.	Annual	01/04/2020

Buildings Maintenance	Fire and flood risk		Low	The building freehold for Town Hall is not owned by the Town Council. The lease has been negotiated outside the Landlord and Tenant Act 1954 and we are not under any obligation to put the property in any better state of repair and condition at the date of surrender than it is at the start of the Lease and in line with the Schedule of Condition which is appended to the Lease. The Town Council is responsible for the annual inspection of its own fire equipment. The Town Council also produces its own fire risk assessment and carries out fire safety training.	Annual	01/02/2020
Public Liability	Risk to third party, property or individuals	High	High	Public liability insurance is in place.	Annual	01/04/2020
Employer Liability	Compliance with employment law	Medium	Medium	Membership of appropriate regional and national employer's organisations. Employer's liability insurance is in place. Use of HR consultant for advice.	Annual	01/04/2020
Legal Liability	Ensuring activities are within legal powers	High	Low	The Clerk is responsible for clarifying the legal position of the Council in the context of any new proposals / projects and for seeking legal advice from the Devon Association Of Local Councils (DALC) if necessary. Town Clerk kept fully trained and aware of legislative changes.	Ongoing	01/04/2020
Legal Liability	Proper reporting via the minutes	Low	Low	Full Council meets monthly and approves the minutes of all sub committees and working groups. The minutes are made available to the public via the Council's website.	Monthly	01/04/2019
Councillor Propriety	Register of Interests	Medium	Medium	Councillors' registers of interest are maintained by the Monitoring Officer at East Devon District Council and published online. Councillors are additionally required to disclose any interests of a personal or pecuniary nature at the start of all Council meetings and these are recorded in the minutes.	Annually	01/04/2020
Town Clerk delegated Responsibilities	Long term absence	High	Low	Sufficient Knowledge to be passed to other members of staff. Delegated Authority be approved by the Town Council to the Deputy Town Clerk to operate the Council's requirements in the absence of the Town Clerk.	Annually	01/04/2020