

## Risk Assessment and Financial Management for the year 1 April 2023 to 31 March 2024

| Topic                              | Risk Identified   | Risk<br>H/M/L | Management of Risk  | Staff Action               | Audit Check<br>Frequency |
|------------------------------------|---|---------------|---|----------------------------|--------------------------|
| Precept                            | Agreed at full Council meeting                                | L             | Minute to show amount agreed  | RFO to check               | January                  |
|                                    | Not submitted   | L             | Minute to show receipt by BDC   | RFO to check               | March                    |
|                                    | Not paid by DC  | L             | Confirm receipt   | RFO to check               | May & Nov                |
|                                    | Adequacy of precept   | L             | Budget process followed - formal budget not set until Council Tax base known                      | RFO/Council                | Annually                 |
|                                    | Monitoring of precept/budget                                  | L             | Quarterly receipt of budget to actual   | RFO to action              | Quarterly                |
| CIL - income and expenditure       | CIL receipts reported to full Council                         | L             | Minute to show CIL received - April and October   | RFO to action              | Bi-annually              |
|                                    | CIL expenditure approved                                      | L             | Minute to show expenditure incurred within parameters of legislation                              | RFO to advise              | Whenever                 |
|                                    | CIL monitoring statement                                      | L             | Minute to show review of balances held, retained and allocated funds.                             | Quarterly / annual reviews | Annual                   |
| Other Income                       | Cheque banking  | L             | Check to bank statements.   | Annual review of controls  | Whenever                 |
|                                    | Bacs banking used by Debtors                                  | L             | Regular bank reconciliations.   | Clerk                      | bi-mthly                 |
|                                    | Bacs banking used for Precept                                 | L             | Review of bank account details.   | Clerk                      | Annually                 |
| Salaries                           | Wrong salary/hours/rate paid                                  | L             | Check salary/check hours and rate   | Signatory to verify        | bi-mthly                 |
|                                    | Wrong deductions - NI & Income Tax                            | L             | Check to PAYE Calculations  | Signatory to verify        | Annually                 |
| Direct Costs and overhead expenses | Goods not supplied to Council                                 | L             | Follow up on orders   | Approval check             | Whenever                 |
|                                    | Invoice incorrectly calculated or recorded                    | L             | Check arithmetic on invoices & perform bank reconciliations on quarterly basis                    | Council to verify          | Bi-mthly                 |
|                                    | Payment procedures - bank transfer                            | L             | Dual authorisation in place - RFO initiates prior to 1 of 2 signatories needed to release payment | Member/RFO                 | bi-mthly                 |
|                                    | Amount payable is excessive                                   | L             | Signatory will review invoice as per file submitted   | Approval check             | bi-mthly                 |
|                                    | Amount payable is to wrong party                              | L             | Signatory will review invoice as per file submitted   | Approval check             | bi-mthly                 |
|                                    | Orders placed by the Council                                  | L             | Orders placed in accordance with Council's Financial Regulations                                  | RFO/Council check          | Whenever                 |
| Grants & support                   | No power to pay or no evidence of agreement of Council to pay | L             | Minute council agreement with the power used to authorize payment                                 | Council to verify          | Whenever                 |
|                                    | Conditions agreed   | L             | Agree and document any reasonable conditions  | RFO Check                  | Whenever                 |

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| Election costs     | Invoice at agreed rate   | L             | RFO check once invoice received.  | RFO verify                 | Whenever                 |
|                    | Reserve fund   | M             | Consider reserve fund to cover costs of Parish Poll   | Council                    | Annually                 |
| VAT                | VAT analysis   | L             | All items in cash book lists  | RFO verify                 | Annually                 |
|                    | Charged on purchases   | L             | Consider all items per cash book lists  | RFO verify                 | Annually                 |
|                    | Claimed within time limits   | L             | Agree returns submitted   | RFO verify                 | Annually                 |
| Reserves - General | Adequacy   | L             | Consider at Budget setting. Council in process of fulfilling strategy to increase reserves to be maintained at 50% of budget.   | RFO opinion.               | Annually                 |
|                    | Reserves Policy  | L             | Council has adopted a Policy to allow formal discussion in accordance with Proper Practices. Known reserves ring-fenced and referenced. Movement between reserves to be by resolution of Council. | Council                    | Annually                 |
|                    | CIL - Restricted Reserve   | L             | Retained funds at year-end to be identified as a restricted reserve   | RFO/Council                | Annually                 |
| Assets             | Loss, Damage etc   | L             | Annual inspection, update insurance and asset registers   | RFO opinion.               | Annually                 |
|                    | Risk or damage to third party property or individuals                | L             | Review adequacy of Public Liability Insurance. Risk Assessment prior to use of Beacon Brazier   | RFO to check Member/RFO    | Annually<br>Whenever     |
| Staff              | Loss of key personnel (Clerk)  | L             | Hours, health, stress, training, long term sick, early departure - risk monitored and managed as appropriate.   | Chair to review            | 12 months                |
|                    | Fraud by staff   | L             | Fidelity Guarantee value appropriately set  | Council to review annually | 12 months                |
|                    | Key Personnel  | L             | The position of Proper Officer / Clerk/ Responsible Financial Officer (RFO) is filled by one person   | Council confirms annually  | Annually in May          |
| Loss               | Consequential loss due to critical damage or third party performance | L             | Review adequacy of Insurance Cover  | Council to review          | Annually                 |
| Maintenance        | Reduced value of assets or amenities - loss of income or performance | M             | Annual maintenance inspection.  | Clerk to review            | Annually                 |

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|-------------------|---|-------------------|---|--|----------------------------|
| Legal Powers      | Illegal activity or payment   | L                 | Council educated as to their legal powers<br>All expenditure to refer to power used   | Clerk to verify<br>Clerk to verify                                       | Bi-mthly<br>Bi-mthly       |
| Financial Records | Inadequate records  | L                 | Council has appointed a Qualified Clerk to manage the Council's financial affairs.  | Council  | 12 months                  |
|                   | Loss of records   | L                 | Office 365 used - 1TB if cloud storage.   |  |                            |
|                   | Postholder of RFO   | L                 | Council has appointed a s151 Officer  | Council  | Annually                   |
| Council's Records | Access to records held on the Council owned computer  | L                 | Access to computer is password protected with additional measure of an encryption key.  | RFO /Chair   | Rotate on a regular basis. |
|                   | Cyber security and risk of cyber attack   | L<br><br><b>M</b> | Access to Office 365 is password protected.<br>All records held in the Cloud.<br>Council to ensure that all means of sharing information and communication other than email is explored - <b>Council to consider .gov.uk email address for Council business as appropriate</b>  | <b>Guidance issued by Joint Panel on Accountability &amp; Governance</b> |                            |
| Minutes           | Accurate and legal  | L                 | Review at next scheduled meeting<br>All pages signed and paginated.   | Members<br>Clerk   | Bi-mthly                   |
| Members Interests | Pecuniary Interests   | L                 | Declaration of interests to be minuted and any conflict addressed as appropriate.   | Member   | Bi-mthly                   |
|                   |   |                   | Reminder to review at Annual Council Meeting.   |  | Annually                   |
| Personal Data     | GDPR Regulations - compliance with regulations for the processing of personal data held by the Parish Council | L                 | Council has in place procedures for the analysis of personal data held; knows the lawful basis for processing and documenting personal data; has privacy information available to individuals process to dispose of personal data; has procedures to respond to requests for data & has processes to identify, report, manage and resolve any personal data breaches. | Clerk  | Annually                   |
|                   |   |                   |   |  |                            |

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|---------|------------------------------------|-------|--|--------------|-------------|
| Website | Website Security Certificate       | L     | Security certificate added to the website by Council's website hosters                 | Apr-22       | Annually    |
|         | Digital accessibility of websites. | L     | Website hosters have confirmed their templates conform to accessibility standards.     | Apr-22       | Annually    |
|         | Standards for web content          | L     | Alternative text added to images<br>Link descriptions added to links                   | Clerk        | Ongoing     |
|         | Accessibility of website           | L     | Accessibility statement on website   | Clerk        | Bi-annually |
|         | Accessibility of web content       | L     | All relevant documents post 2021 are checked for conformity to accessibility standards | Clerk        | Ongoing     |

*Initially reviewed by Clerk/RFO for annual insurance review - 24.08.23*

**At the meeting of 13 March 2024, Agenda Item 10a) it was resolved and agreed that, having reviewed the above risk management procedures Council confirmed that they were in practice by the Parish Council and that there were no regulatory or contractual issues that may impact on the Council for which a further risk assessment might be required.**