

Greywell Parish Council

Financial and Management Risk Assessment

Scope of this assessment This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

Identify the areas to be reviewed; Identify what the risk may be, evaluate the management and control of the risk and record all findings, review, assess and revise if required

Subject	Risk(s) Identified	H/M/L	Management/Control of Risk	Review/Assess/Revise
Councillors	Losing Councillor membership or having more than 2 vacancies at any one time	L	When a vacancy arises there is a legal process to follow. The Council's complement is 5 members. If there are more than 2 vacancies at any one time the Council becomes inquorate. This either leads to an election or into a co-option process. An election is out of the Parish Council's control. The co-option process begins with local advertisement, acceptance and consideration of applicants, then a co-option vote at a Parish Council meeting, followed by appointment. This legal process of appointing new Councillors must take place	Existing procedure adequate
Business continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	L	In the event of a tragic incident where all Parish Council members simultaneously cease to serve, for whatever reason, the District Councillor will co-opt new members and officers of the Council	Existing procedure adequate

Precept	<p>Adequacy of precept</p> <p>Requirements not submitted to Hart DC in time</p> <p>Amount not received by Hart DC</p>	L	<p>To determine the precept amount required, the Parish Council regularly receives budget update information and the precept is an agenda item at full Council. At the Precept meeting Council receives a budget update report, including actual position and projected position to end the year and indicative figures or costings obtained by the Clerk. With this information the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from Hart District Council (HDC). This figure is submitted by the Clerk in writing/by email to HDC. Precept should be considered by Council before the deadline-deadline should be ascertained from HDC asap. The Clerk informs Council when the monies are received (approx April)</p>	Existing procedure adequate
Financial records	<p>Inadequate records</p> <p>Financial irregularities</p>	L	<p>The Council has Financial Regulations which set out the requirements and these are reviewed annually. The Internal auditor carries out an annual audit and reports any discrepancies which are corrected.</p>	Existing procedure adequate-review Financial Regulations annually
Bank and banking	<p>Inadequate checks</p> <p>Bank mistakes</p> <p>Loss</p> <p>Charges</p>	L	<p>The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. If the bank makes an error in processing cheques this will be discovered when the Clerk reconciles the bank accounts before each meeting and the bank will be informed immediately. Councillors monitor and approve reconciliations at every meeting</p>	Existing procedure adequate- review Financial Regulations annually

	Loss of signatories	L	Council will choose replacements but the bank takes time to implement changes, this mostly happens after an AGM/election/co-option.	Existing procedure adequate
Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations which set out the requirements. Cash/cheques received are banked as soon as possible. There is no petty cash or float. The Parish Councils insurance policy covers employee/ councillor dishonesty. Insurance is reviewed annually	Existing procedure adequate- review Financial Regulations annually
Reporting and auditing	Information communication Compliance	L	An audit statement is produced annually, presented to Council, discussed and approved at the meeting. This statement includes bank reconciliation, budget update, and a breakdown of receipts and payments balanced against the bank. A full list of payments and receipts and cheques to be signed is provided at each Parish Council meeting and the financial records including a breakdown of receipts and payments balanced against the bank statement are presented Annual Internal audit	Existing procedures adequate

Grants and support-payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval, recorded in minutes and listed accordingly	Existing procedure adequate
Grants - receivable	Receipts of Grant	L	The Parish Council occasionally receives grants for specific projects. One off grants normally come with terms and conditions to be satisfied. Cheques are banked and grants accounted for in the above ways and unusual amounts explained at audit	Existing procedure adequate
Best value accountability	Work awarded incorrectly Overspend on services	L M	As per Financial Regulations, normal Parish Council practice is to seek, if possible, more than one quotation for any substantial work required to be undertaken or goods to be supplied. For major contract services, formal competitive tenders are sought. If a problem is encountered with a contract the Clerk investigates the situation, checks the quotation/tender, researches the problem and reports to Council	Existing procedure adequate-review Financial Regulations annually

Salaries and assoc. costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L M	The Parish Council authorises the appointment of the single employee (the Clerk). Salary rates are assessed annually and applied on 1 April each year. Salary analysis and slips are produced by the Clerk monthly together with a schedule of payments to the Inland Revenue (for Tax and NI). These are inspected at the Council meetings and signed off. The Tax and NI is worked out using an Inland Revenue computer programme updated annually. All Tax and NI payments are submitted in the Inland Revenue Annual Return. The Clerk has a contract of employment and job description. Salaries are paid in arrears, but if a meeting is cancelled or moved then payments could be late or missed	Existing procedure adequate
Employee	Loss of key personnel Fraud by staff	L	Parish Council Insurance Policy provides “key person” cover up to £250 per week (max £2500 in any one insurance period) The requirements of the Fidelity Guarantee insurance to be adhered to with regard to Fraud. The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role	Existing procedure adequate-review insurance policy annually

Direct costs	Goods not supplied but billed	L	The Council has Financial Regulations that set out the requirements.	Existing procedure adequate-review Financial Regulations annually
Overhead expenses	Incorrect invoicing	M	The Clerk checks each invoice for receipt of goods and accuracy	
Debts	Cheque payable incorrect	L	Unpaid invoices to the Parish Council are pursued and where possible, payment is obtained in advance.	
	Unpaid invoices	L		
Actions undertaken by staff	Health & Safety	L	Risk assessments of all activities and undertakings produced	Existing procedure adequate. Monitor working conditions, safety requirements and insurance regularly
Councillor allowances	Councillors over-paid Income tax deduction	L	The Chairman has a budgeted annual allowance that is used, if necessary, for sundry items. Any expenses are claimed by presenting the relevant receipt to the Parish Council for approval	Existing procedure adequate
Election costs	Risk of an election cost	H	Risk is higher in an election year. When a scheduled election is due the Clerk obtains an estimate of costs from the District Council for a full election and an uncontested election and this will be incorporated within the annual budget. There are no measures which can be adopted to minimise the risk of having elections, as this is a democratic process.	Existing procedure adequate
VAT	Re-claiming	L	The Council has Financial Regulations which set out the requirements. VAT regulations are followed and regular refund claims made	Existing procedure adequate

Employers Annual Return	Paying and accounting for NI and Tax of employee salaries	L	Employers Annual Return is completed and submitted online to the Inland Revenue by the Clerk within the prescribed time frame. There are financial penalties for late submission	Existing procedure adequate
Audit - Internal Audit	Completion within time limits	L	Internal auditor is appointed by the Council. Internal auditor is supplied with the relevant documents to audit and the form to complete and sign for the External Auditor. Procedures are all covered in the Audit Commission documentation supplied	Existing procedure adequate
Annual Return	Completion/ Submission within time limits	L	Annual Return is completed and signed by the Council, submitted to the internal auditor for completion and signing then checked and sent on to the External Auditor within the specified time limit	Existing procedure adequate
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council are resolved and recorded in minutes at Full Parish Council Meetings	Existing procedure adequate
Minutes/ Agendas/ Notices Statutory documents	Accuracy and legality Business conduct	L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to the legal requirements. Business conducted at Council meetings is managed by the Chair	Existing procedure adequate. Guidance/ training to Chair should be given (if required). Members to adhere to Code of Conduct
Members interests	Conflict of interest Register of Members interests	L M	The declaring of interests by members at a meeting is a process to remind Councillors of their duty and is always on the meeting agenda. Register of Members Interest forms is reviewed regularly by Councillors. The Councils code of conduct is reviewed annually and approved and agreed by Councillors	Existing procedure adequate. Members take responsibility to update their Register and conform with the code

Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be in place. Ensure compliance measures are in place. Ensure Fidelity checks are in place	Existing procedure adequate. Review insurance provision annually. Review of compliance
	Cost	L		
	Compliance	L		
	Fidelity Guarantee	M		
Notice boards	Risk/damage/injury to third parties Road side safety	L	Parish Council does not have its own noticeboard but shares the facility with the Village Hall. Any repairs/maintenance requirements brought to the attention of the Village Hall. Keys held by various Councillors	Existing procedure adequate
Meeting location	Adequacy Health & Safety	L M	The Parish Council Meetings are held at the Village Hall who conduct their own risk assessment. The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health & Safety and comfort aspects	Existing location adequate
Council records - paper	Loss through: Theft Fire damage	L M L	The current Parish Council records are stored at the home of the Clerk. However, older records including historical correspondence, minute books and copies, leases for land or property, records such as personnel, insurance, salaries etc. are stored in a metal filing cabinet (not fire proof) in the village hall	Damage (apart from fire) and theft is unlikely and so provision adequate
Council records - electronic	Loss through: Theft, fire, damage corruption of computer	L M	The Parish Councils electronic records are stored on the Parish Clerks computer. Back-ups of the files are completed at monthly intervals	Existing procedure adequate
Data protection	Policy Provision	L	The Council is registered with the Information Commissioners Office	Ensure annual renewal of registration

Freedom of Information Act	Policy Provision	L	The Council has a publication scheme in place. The Council is able to request a fee for any information requested to cover the cost of consumables and the clerk's time	Monitor and report any impacts of requests made under the FOI Act
Website Security	Risk of website being hijacked	M	Website managed and maintained by Upperbridge Enterprises.	Existing procedure adequate
Misleading or inappropriate Content	Risk of inappropriate or libellous content	L	Restricted admin rights	
Members' behaviour	Inappropriate or disturbing behaviour at meetings	L	Code of Conduct adopted	Existing procedure adequate
Events	Fireworks/Bonfire Village tidy and clean-up	M	If organised by the Parish Council, separate Risk Assessments are undertaken for each of these events to ensure safe or correct insurance, procedures and practices are followed	Existing procedure adequate
Public Liability	Risk to third party, property or individuals	M	Insurance is in place. Risk assessments reviewed when appropriate to comply with requirements	Existing procedure adequate
Employer Liability	Non-compliance with employment law	L	Liaise with Hampshire Association of Local Councils to ensure correct procedures are followed	Existing procedures adequate

Legal Liability	Legality of activities	M	Clerk to clarify legal position on proposals and to seek advice if necessary	Existing procedure adequate
	Proper and timely reporting via Minutes	L	Council receives and approves Minutes at monthly meetings.	
	Proper document control	L	Retention of document policy in place	

Approved March 2023

Review date March 2024