

Risk Assessment and Financial Management for the year 1 April 2019 to 31 March 2020

The risk management procedures, as documented below, were confirmed to be in practise by the Parish Council at its meeting on 11 March 2020

| Topic                              | Risk Identified   | Risk  | Management of Risk   | Staff Action              | Audit Check |
|------------------------------------|---|-------|--|---------------------------|-------------|
|                                    |   | H/M/L |  |                           | 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              | 6 mthly     |
|                                    | Adequacy of precept   |       | Budget process followed  | RFO/Council               | Annually    |
|                                    | Monitoring of precept/budget  | L     | Quarterly receipt of budget to actual  | RFO to action             | Quarterly   |
| Other Income                       | Cheque banking  | L     | Check to bank statements.  | Annual review of controls | Whenever    |
|                                    | Bacs banking  |       | Regular bank reconciliations.  |                           | Quarterly   |
| Salaries                           | Wrong salary/hours/rate paid  | L     | Check salary/check hours and rate  | Chair to verify           | bi-mthly    |
|                                    | Wrong deductions - NI & Income Tax  | L     | Check to PAYE Calculations   | Chair 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    |
|                                    | Cheque payable is excessive or to wrong party                                       | L     | Signatory initials stub & invoice  | Approval check            | bi-mthly    |
| Grants & support                   | No power to pay or no evidence of agreement of Council to pay<br>Condititons agreed | L     | Minute council agreement with the power used to authorize payment              | Council to verify         | Whenever    |
|                                    |   | L     | Agree and document any reasonable conditions                                   | RFO Check                 | Whenever    |
| Election costs                     | Invoice at agreed rate  | L     | RFO check and consider budget  | RFO verify                | Whenever    |
| 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    |

| Topic              | Risk Identified  | H/M/L  | Management of Risk  | Staff Action                         |                 |
|--------------------|--|--------|---|--------------------------------------|-----------------|
| Reserves - General | Adequacy   | M      | Consider at Budget setting. Council in process of strategy to increase reserves to be maintained at 50% of budget.  | RFO opinion.                         | 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                         | Annually        |
| Staff              | Loss of key personnel (Clerk)  | L      | Hours, health, stress, training, long term sick, early departure - risk monitored and managed as appropriate.   | RFO/Member view                      | 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 is filled by one person   | RFO role to be confirmed on an basis | Annually in May |
| Loss               | Consequential loss due to critical damage or third party performance | L      | Review adequacy of Insurance Cover  | Council to review annually           | Annually        |
| Maintenance        | Reduced value of assets or amenities - loss of income or performance | M      | Annual maintenance inspection.<br><i>Council in process of moving and carrying out minor repairs to Village Sign.</i>   | Diary                                | Annually        |
| Legal Powers       | Illegal activity or payment  | L      | Council educated as to their legal powers<br>All expenditure to refer to power used   | Diary                                | Bi-mthly        |
| Financial Records  | Inadequate records   | L      | Council has appointed a Qualified Clerk to manage the Council's financial affairs.  | Diary                                | 12 months       |
|                    | Loss of records<br>Postholder of RFO                                 | L<br>L | Office 365 used - 1TB if cloud storage.<br>Noted that the potsholder is also an Internal Auditor contracted to carry out internal audits on behalf of S.A.L.C. Internal control expanded to a robust system of internal checks. | Diary                                | Annually        |

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|-------------------|---|-------|--|--------------------------------|---------------------------|
| Council's Records | Access to records held on the Council owned computer  | L     | Access to computer is password protected.<br>Access to Office 365 is password protected.   | RFO /Chair                     | Rotate on a regular basis |
| Minutes           | Accurate and legal  | L     | Review at next scheduled meeting<br>All pages signed and paginated.  | Diary                          | Bi-mthly                  |
| Members Interests | Conflict of Interest  | M     | Declaration of interest to be documented / minuted and any conflict addressed as appropriate. Reminder to review at Annual Council Meeting   | Diary                          | Bi-mthly<br>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. | Diary                          | Annually                  |
| Website           | Website Security Certificate  | L     | Security certificate added to the website by Council's website hosters   | Diary                          | Annually                  |
|                   | Digital accessibility of websites.  | L     | Council's website hosters have confirmed that their templates conform to accessibility standards.  | Jul-19                         | Annually                  |
|                   | Standards for web content   | L     | Alternative text added to images<br>Link descriptions added to links   | Diary                          | Monthly                   |
|                   | Accessibility of website  | M     | Accessibility statement on website   | <b>To be actioned by Clerk</b> |                           |

Reviewed and adopted on **11 March 2020**