

# Financial & Procedure Risk Assessment

Greatwood Hall

Hollington Road

Upper Tean

Staffordshire

ST10 4RQ

The Parish Council is required to review its risk assessment/management arrangements annually. It is important that the Parish Council is able to demonstrate that it has effective risk management processes in place.

Risk management is the process by which risks are identified, evaluated and controlled and enables the Parish Council to avoid, or minimise, damaging actions or events. Risk management is a key element of the framework of governance.

	Item	Risk Identified	High/ Medium/ Low	Management of Risk	Action	Internal Audit Frequen cy	Policy Document	Notes
<b>Finance General</b>								
1	Financial Control	Failure to maintain proper financial control resulting in inability of Parish Council to set a legal budget.	L	Internal financial management supported by Financial Regulations. Bi-annual reports. Monthly budget monitoring and bank reconciliation. Annual spending formulated.	Parish Council	Annually	Financial Regulations	Existing arrangements adequate
2	Precept	Over/under calculation of precept.	L	Annual budget setting process. Timely presentation of request.	Parish Council	Annually	Governance & Accountability	Existing arrangements adequate
		Not paid by Staffordshire Moorlands District Council.	L	Precept paid directly into PC bank account. Recommended 4 months running funds held in reserves	Clerk			
3	VAT	Reclaiming / Recharging	L	Routinely claimed annually as part of the year end accounts process. No recharging carried out.	Clerk	Annually	Financial Regulations	Existing arrangements adequate
4	Year End Accounts	Submit within time limit.	L	Ensure timely presentation of Annual Audit return to the Parish Council for approval. And subsequent presentation to internal and external auditors.	Clerk	Annually	Statutory requirements and Financial Regulations.	Existing arrangements adequate
5	Bank/Banking	Inadequate checks, bank errors.	L	Monthly bank reconciliations carried out and presented to the Council.	Clerk	Annually	Financial Regulations	Existing arrangements adequate
		FSA £85,000 cover.		No bank account should hold more than £85,000 to ensure cover from FSA.				
6	Salaries	Salaries paid incorrectly.	L	CPC do not employ any staff.	Parish Council	N/A	N/A	

		Unpaid tax to HMRC		CPC employ contractors for regular works and they are responsible for their own payments to HMRC.				Existing arrangements adequate
7	Payments	Unlawful expenditure/improper payment by cheque	L	All requests for payments submitted to PC and Clerk advised on power to spend and fund available. Any payments must be approved at full Council or by two Councillors (within Chairman's allowance). All payments must have an invoice/other paperwork in support of expenditure. Each cheque to be signed by two signatories.	Clerk	Annually	Financial Regulations	Existing arrangements adequate
8	Expenses: Clerk & Councillors	Overpayment	L	Council checks claims Clerk checks claims	Council Clerk	Annually		Existing arrangements adequate
9	Fraud	Misappropriation of funds by Clerk or Councillors	L	Any payment must be approved by the full council. All expenditure will be reported retrospectively the next Parish Council meeting. Any cheque must be signed by two Parish Council authorised signatories. All payments must be supported by invoices/receipts. All direct debits are to be approved by the Council.	Parish Council	Annually	Financial Regulations and Insurance Policy	Existing arrangements adequate
10	Reserves - General	Adequacy	L	Considered at budget setting. Ensure minimum of 4 months reserves in hand.	Clerk	Annually		Existing arrangements adequate
11	Reserves – Ring Fenced and accrued	Adequacy	L	Funds are shown separately at budget and on monthly financial update. Funds drawn on as necessary.	Clerk	Annually		Existing arrangements adequate
12	Invoices	Overpayment	L	Invoices submitted to PC for authorisation and signature by annually appointed 'In house auditor.' If unable to meet physically scanned copies of invoices will be distributed.	Clerk	Annually	Financial Regulations	Existing arrangements adequate

13	Grants	Spending and Receipt	L	All requests submitted to PC. Clerk checks and advises Council on ability to spend and suitability of request.	Clerk	Annually	Grant Policy	To be created
14	Best Value Accountability	Contracts Awarded Incorrectly.	L	Practise is to seek 3 quotations for work in excess of £20,000. For those below £1,00 and above £250 the Clerk shall strive to obtain 2 estimates. For those above £1,000 but less than £20,000 the Clerk shall strive to provide 3 quotations but will obtain a minimum of 2. For those above £20,000 the contract should go to tender.	Clerk	Annually	Financial Regulations	Existing arrangements adequate
		Overspend on Services						
<b>Assets</b>								
15	Items Listed on the Asset Register	Potential damage to equipment and/or injury to members of the public	L	Insurance cover for buildings, equipment, public liability in place. Asset register maintained and reviewed. Routine inspections undertaken.				
16	Greatwood Hall (Village hall owned by the Parish Council)	Potential damage to building	L	Insurance cover for building and public liability in place.	Clerk		Health and Safety Policy	To be agreed by the Council
		Injury to members of the public		Managed by a charity committee who are responsible for all risk assessments and health and safety issues.	Council			
17	Health & Safety of Assets	Injury to public from assets owned by the Parish Council	L	Adequate public liability cover. Clerk authorised to arrange removal/repair where danger to public identified. Formal inspection/maintenance schemes implemented.	Clerk Council	Annually	Insurance Review	
<b>Non Financial</b>								
18	Meeting of Parish Council	Unlawful Meeting	L	Summons, Notice, Agenda properly issued giving public notice three clear working days before meeting. Ensure quorum is present prior to start of meeting. Minutes are produced and signed at the next months meeting.	Clerk	Annually	Standing Orders	To be reviewed

		Business Conduct		Business conducted at a meeting should be managed by the Chair.	Chair			
19	Legal Powers	Acting Illegally	L	The Clerk advised on the legality of all matters including the power to spend. All activity and payments within the powers of the Parish Council to be resolved at full Council meetings.	Clerk	Annually		
20	Members Interest	Conflict of Interest	L	Councillors must declare interests at each Council meeting.	Councillors & Clerk	Annually	Code of Conduct	Clerk can advise but each Councillor is responsible for these actions in this respect and for updating the register.
		Members Register		Register of members interest forms are to be maintained by Councils and any changes submitted to the Clerk who will forward onto SMDC	Councillors			
21	Insurance Cover	Adequacy, Cost, Compliance	L	Insurance cover reviewed annually to ensure all risks are managed adequately.	Clerk & Council	Annually	Policy	
22	Business Continuity	Parish Council not able to continue its business owing to unexpected or tragic circumstances	L	Files are kept at the Clerks home or Greatwood Hall storage facility. In the event of the Clerk being indisposed for a meeting a Parish Councillor will take notes until the Clerk is available. In the event of prolonged absence, the Council can ask local clerks to provide services of interim cover.	Clerk	N/A		
23	Council Records – Paper	Loss through Theft Fire Damage	L	The Parish Council records are stored at the home of the Clerk and in Greatwood Hall’s storage facility. Records include historical correspondences, minutes, annual financials, cemetery records, etc Title deeds etc are with Eric Whitehead Solicitors	Clerk		Document Retention Policy	To be created Damage (apart from fire) is unlikely. The storing of historical documents to be looked at.
			M				Document List	
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24	Council Records – Electronic	Loss through Theft Fire	L M	The Parish Council records are stored on an external hard drive stored at the home of the Clerk. Back up of	Clerk		Document Retention Policy	To be created Ensure regular back up of files

		Damage System Corruption	L M	electronic data is made at regular intervals to a cloud based storage.				to an external and cloud based drive.
25	Meeting Location	Adequate, Health & Safety, Disability Access	L	Meetings are held at Greatwood Hall. Disabled access available, adequate heating and seating for members of the public.	Clerk	N/A		
26	Data Protection	Compliance	L	Privacy Policy in place.	Clerk	Annually	Privacy Policy	
27	Freedom of Information Act	Compliance	L	Freedom of Information Policy	Clerk	Annually	FOI Policy	To be created

***This Financial and Process Risk Assessment was reviewed and adopted by Checkley Parish Council:***

<b>Meeting Date:</b>	15 <sup>th</sup> September 2020
<b>Minute Reference:</b>	09.20/5f
<b>Signed By:</b>	 <b>The Chairman (Vice)</b>
<b>Signed By:</b>	 <b>The Parish Clerk</b>