

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 |
|------------------------|-------------------|--|-------------------------|---|----------------|------------------------------------|---|--------------------------------|
| Finance General | | | | | | | | |
| 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 | |

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| | | 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 |

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| 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 | | | | | | |
| Assets | | | | | | | | |
| 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 | |
| Non Financial | | | | | | | | |
| 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 |

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| | | 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 there 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 | |
| 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 |

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| | | 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 adopted by Checkley Parish Council 15th September 2020 and reviewed by Checkley Parish Council 22nd June 2021: