

FLITTON AND GREENFIELD PARISH COUNCIL RISK ASSESSMENT January 2019

Mission Statement of Parish Council:

To provide services for, and manage and maintain the assets of, the parish of Flitton and Greenfield, within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents and obtaining value for money.

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible
<p>1. To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.</p>	<p>1. Lack of knowledge of regulations and codes.</p> <p>2. Absence of standing orders</p> <p>3. Actions by the PC outside its powers laid down by Parliament.</p> <p>4. Lack of commitment to regulations and procedures.</p> <p>5. Items purchased without proper tendering procedures, resulting in accusations of commercial favoritism.</p> <p>6. Payments made without prior</p>	<p>Ensure that all Councillors have copies of relative Acts, Code of Conduct, and Standing Orders. Highlight essential parts and provide training where possible.</p> <p>Ensure that Standing Orders are produced, understood by councillors, and reviewed at least once per year.</p> <p>As at 1 above, but ensure that powers are highlighted or extracted into effective summary.</p> <p>Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual councillors.</p> <p>Ensure that all councillors are aware of regulations re estimates and full tender procedures. Introduce practice of estimates for all purchases over an agreed figure.</p>	<p>Clerk/RFO/Chair of Finance Committee and Members of Committee</p>

	<p>approval and adequate control.</p> <p>7. Lack of control of signatories to cheques.</p> <p>8. VAT not properly accounted for, resulting in overclaims and large demands from HMRC</p>	<p>Ensure all payments are approved in Council meetings and recorded in minutes. Keep cash payments to a minimum, and avoid if possible.</p> <p>Keep authorised signatories to a minimum consistent with practicalities.</p> <p>Ensure appropriate publications held and that Clerk has good knowledge of regulations.</p>	
<p>2. To identify and regularly review the Council's priorities.</p>	<p>1. Lack of knowledge of how to set objectives, set priorities, and identify risks to their achievement.</p> <p>2. Lack of commitment by council members</p>	<p>All councillors to be made aware of need for objectives and identification of risk. Attend training sessions if practicable.</p> <p>Add risk assessment to agenda at least quarterly, reviewing particular items, and results against those items.</p>	<p>Clerk/RFO/Chair All Councillors</p>

	<p>3. No risk analysis carried out.</p> <p>4. No steps taken to combat identified risks</p>	<p>As at 1 above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission</p> <p>As at 2. above.</p>	
<p>3. To influence other council departments and Government organisations to fulfil the requirements of the Parish population.</p>	<p>1. Lack of effective lines of communication with other organisations.</p> <p>2. Lack of effective lines of communication with parishioners.</p> <p>3. Lack of preparation on subjects requiring influence.</p> <p>4. Lack of confidence by Parish Councillors.</p>	<p>Note all communication lines which are essential or beneficial and make information available to all councillors Establish contacts by name and where possible face-to-face.</p> <p>Take every opportunity to publicise role of Parish Council. Continue funding Parish newsletter Effective use of Notice Boards and “fliers” and website Use key issues to raise profile of PC and to test parishioners views. Add social event to occasional meeting. Create Annual PC plan and put to parishioners for comment.</p> <p>Ensure that all councillors are aware of need for careful research and are guided as to where to obtain relevant information on issues under discussion.</p> <p>As at 1. above. Experienced councillors to assist newcomers to establish essential contacts.</p>	<p>Clerk/RFO/Chair All Councillors</p>

		Delegate responsibility for specific contacts to individual councillors	
<p>4. To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks.</p>	<p>1. Lack of knowledge of possible culpability of councillors.</p> <p>2. Lack of education of Councillors regarding culpability.</p> <p>3. Inadequate insurance cover taken out – property, personal liability, employer’s liability.</p>	<p>Creation of standing orders and familiarisation with those where greatest risk occurs.</p> <p>As at 1. above. Delegate responsibility to one or two councillors to assist newcomers to understand culpability. Attend any training courses available.</p> <p>Review risk assessment by including on agenda of PC meetings at least quarterly. Delegate responsibility for keeping up-to-date with insurance requirements to an individual councillor.</p>	<p>Clerk/RFO/Chair All Councillors</p>
<p>5. To keep appropriate books of account accurately and up-to-date through out the financial year.</p>	<p>1. Lack of knowledge of accounting requirements</p> <p>2. Lack of commitment to accounting requirements.</p> <p>3. Bank charges unnecessarily incurred</p>	<p>Ensure that all councillors are familiar with current financial regulations and include them in standing orders. Regularly review standing orders. Appoint a councillor as Chair of the Finance Committee to take overall responsibility for financial management.</p> <p>As at 1. above. RFO to produce financial reports at all meetings. Internal audit reports to be made available to all councillors and any recommendations to be acted upon promptly.</p> <p>RFO to carry out regular inspection of books of account.</p>	<p>Clerk/RFO/Chair All Councillors</p>

	<p>4. Inaccuracies in recording amounts, totals in books of account, and bank reconciliations.</p> <p>5. Inaccuracies and interest losses caused by account transfers.</p> <p>6. The most beneficial interest terms not being employed.</p> <p>7. Inadequate control of cash receipts and payments.</p> <p>8. Books of account not kept up to date/ invoices not posted promptly.</p> <p>9. Internal controls not in place or not operated.</p> <p>10. Payments missed or delayed due to inadequate filing of invoices.</p> <p>12. Clerk taken ill or leaves without</p>	<p>Internal audit to be undertaken periodically during the current financial year.</p> <p>RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required.</p> <p>Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest-bearing account.</p> <p>Ensure that favorable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts.</p> <p>Avoid cash payments and receipts if possible. Where cash payments and receipts are unavoidable use a properly controlled petty cash account with a set maximum balance.</p> <p>Regular checks by RFO and internal auditor. Financial reports at all PC meetings.</p> <p>As at 8. above.</p> <p>As at 8. above.</p> <p>Appoint a councillor as Chair of the Finance</p>	
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	replacement	Committee to be familiar with all aspects of financial matters.	
6. To ensure that payments made from council funds and the use of assets, represent value for money, are adequately managed, and comply generally with the wishes of the residents.	<p>1. Lack of knowledge of wishes of residents.</p> <p>2. Use of funds not giving value for money.</p> <p>3. Use of funds not in accordance with the wishes of the residents</p> <p>4. Charges for use of facilities inadequate.</p> <p>5. Fund raising not properly controlled or not in accordance with regulations.</p>	<p>As at 3.2 Ensure residents are consulted on all major financial issues.</p> <p>Effective budget planning processes. Creation of annual plan after consultation process. Creation of outline 2/3 year plan.</p> <p>As at 2 above Appointment of RFO to create effective financial management. Internal audit checks to cover consultation process.</p> <p>Effective financial management by RFO. Internal audit checks.</p> <p>All councillors to be aware of need to check regulations before commencing fund-raising activities. Effective financial management by RFO.</p>	Clerk/RFO/Chair All Councillors
7. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget	1. Lack of knowledge of budgetary process, and Council regulations.	<p>Include regulations in Standing Orders issued to all councillors. Place item on agenda early in year to remind councillors of budget process and actions required.</p>	Clerk/RFO/Chair All Councillors

<p>is regularly monitored; and reserves are appropriate.</p>	<p>2. Lack of commitment to budgetary process.</p> <p>3. Inadequate consideration of requirements for annual precept.</p> <p>4. Calculation not in accordance with Council regulations.</p> <p>5. Inadequate internal controls with regard to monitoring expenditure.</p> <p>6. Reserves too low.</p>	<p>Delegate responsibility for managing budgetary process to one councillor or to councillor appointed as Chair of the Finance Committee</p> <p>As at 1. above Involve all councillors in budgetary process not solely the clerk.</p> <p>Place item on agenda early in year to remind councillors of budget process and actions required. Delegate responsibility for managing budgetary process to Clerk or to councillor appointed as Chair of the Finance Committee Start consideration of calculation at least 4 months prior to submission date</p> <p>Create annual and 2/3 plans to assist in process.</p> <p>Checks by RFO and Internal Auditor.</p> <p>Checks by RFO and Internal Auditor. Financial and budget progress reports to all PC meetings.</p> <p>As at 5 above.</p>	
<p>8. To explore all possible sources of income, and to ensure that expected income is fully received.</p>	<p>1. Lack of knowledge of possible sources of income e.g. grants.</p> <p>2. Lack of commitment to pursue</p>	<p>Appoint the Finance Committee as the Grant Making body to gain experience of all grants available and application procedures. As at 1.</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>

	<p>possible sources of income.</p> <p>3. Receipts not banked or not banked promptly.</p> <p>4. Debts not pursued promptly.</p> <p>5. VAT claims not made promptly or made incorrectly.</p>	<p>Regular checks by councillor appointed to Finance Committee Internal audit checks.</p> <p>As at 3. above.</p> <p>Ensure Clerk has appropriate and up-to-date VAT official publications. Regular checks by councillor appointed to Finance Committee Internal audit checks.</p>	
<p>9. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations, and adequately monitored.</p>	<p>1. Inappropriate rate of pay to employees.</p> <p>2. Tax and NI arrangements not in accordance with regulations.</p> <p>3. Amounts paid to contractors not in accordance with contract and inadequately monitored.</p>	<p>Ensure employee regulations are available and understood by Clerk Checks by councillor appointed as RFO. Internal audit checks</p> <p>As at 1 above.</p> <p>Internal audit checks Checks by councillor appointed to Finance Committee Appoint councillors to monitor any contract work carried out.</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>
<p>10. To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate</p>	<p>1. Lack of knowledge of Council regulations and procedures.</p> <p>2. Late or non- submission of annual accounts.</p>	<p>Include financial regulations in Standing Orders. Attend training seminars where available.</p> <p>Include a time table in Standing Orders. Councillor appointed to Finance Committee</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>

<p>audit trail.</p>	<p>3. Year end accounts not prepared, inaccurate, or not in accordance with Council requirements.</p> <p>4. Inadequate audit trail from records to final accounts.</p>	<p>to monitor progress against timetable and report to PC meetings.</p> <p>Checks by councillor appointed to Finance Committee</p> <p>Internal audit checks As at 3 above.</p>	
<p>11. To identify, value, and maintain all the assets of the Parish Council, and ensure that asset and investment registers are complete, accurate and properly maintained.</p>	<p>1. Lack of knowledge of assets of Parish Council.</p> <p>2. Assets lost or misappropriated</p> <p>3. Inadequate or inaccurate valuation of the council's assets.</p> <p>4. Asset register not established or inadequately maintained.</p>	<p>Ascertain and record all assets for which Parish council is responsible. Create permanent asset register.</p> <p>Establish who is responsible for security and maintenance of each asset. Appoint councillor responsible for regular monitoring of location and use of assets.</p> <p>Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks.</p> <p>Create asset register in accordance with Audit Commission requirements.</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>
<p>12. To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.</p>	<p>1. Lack of knowledge of applicable legislation</p>	<p>Clerk to have all appropriate legislation available. Review liabilities and responsibilities periodically at PC meetings.</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>

	<p>2. Lack of public awareness of applicable legislation.</p> <p>3. Failure to comply with applicable legislation.</p>	<p>Include, as appropriate, in any public consultations.</p> <p>As at 1 above</p>	
<p>13. To carry out adequate safety checks on all buildings, properties, and equipment for which the council is responsible.</p>	<p>1. Lack of information on properties, buildings and equipment.</p> <p>2. Lack of knowledge of safety requirements.</p> <p>3. Lack of commitment to carrying out safety checks.</p>	<p>Ensure that all current legislation and advice is held by Clerk. Include in asset register all properties for which PC responsible.</p> <p>Ensure that all current legislation and advice is held by Clerk. Place subject as item on PC meeting agenda at regular intervals.</p> <p>As at 2. above. Delegate responsibility for particular properties to individual councillors.</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>
Updated January 2019			
<p>14. To ensure that the requirements of The General Data Protection Regulation 2018 is kept under regular review</p>	<p>Breach of the regulations Being sued or unable to provide information or proof as required</p>	<p>Clerk and all councillors to be aware of need to check regulations before commencing any Data activities.</p>	<p>Clerk/RFO/Chair All Finance Committee Councillors</p>