**WROTHAM PARISH COUNCIL**

**FINANCIAL AND ADMINSTRATION RISK ASSESSMENT**

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| **1. FINANCE AND ADMIN/MANAGEMENT** | | | | |
| **Subject/item** | **Risk(s) identified** | **Risk level H/M/L** | **Management/control of risk** | **Review/Assess/Revise** |
| Business continuity | Council unable to continue its business due to an unexpected or tragic circumstance (theft, fire, corruption of computer data) | L | Password document with instructions provided to 5 long standing members of the Parish Council. Electronic records are stored on both an internal intranet and the cloud with the PC being backed up on a regular basis. | Existing procedures are deemed adequate |
| Precept | Adequacy of precept.  Requirements not submitted to Borough Council  Amount not received by PC. | L  L  L | Prior to setting the precept, a draft budget including actual position and projected position at the end of year is presented by the RFO for discussion and amendment. Against which the Council will be able to assess the required monies for running costs and projects for the following year and set a precept amount accordingly.  Clerk to submit using the T&MBC template provided by the stated deadline.  The Clerk notifies the Council monthly of all monies transferred to the Parish Council accounts | Existing procedures have ensured that an accurate precept is requested |
| Financial records | Inadequate records  Financial irregularities  Loss of records through damage, theft, fire, etc | L  L  M/L | Use of dedicated accounts package as set out in the Financial Regulations  Currently covered by internal audit  Computerised records regularly backed up to dedicated intranet & cloud software  Access details recorded and stored separately | Annual Review of Financial Regulations undertaken by RFO and agreed by full Council. Procedures discussed with Internal Auditor  Council to discuss appointing a dedicated Council Member to periodically check.  Undertake regular back up checks |
| Bank and Banking | Inadequate checks  Bank mistakes/loss/charges | L  L | The Council no longer accepts cash payments. Cheques are banked promptly through the NatWest Post Office service.  Bank balances are monitor on at least a weekly basis and any irregularities are raised with the bank immediately.  Use of accounting software is a check against mistakes.  Monthly reconciliations are undertaken on receipt of statement. Reconciliations and copy statements are emailed immediately to all Councillors and presented for sign off at the next full Council meeting. | Existing procedures are deemed adequate |
| Budget Reporting and auditing | Communication & Monitoring  Compliance | L  L | Full Council is presented quarterly with a report by the Clerk which includes the current financial position and details of income and expenditure.  Members have the opportunity to discuss, question, and review financial matters during the meeting.  Internal Auditor | Existing procedures are deemed adequate |
| Direct costs/ overhead expenses/debts | Goods not supplied but billed  Incorrect invoicing  Members expenses | L  L  L | The Clerk checks that goods have been received / works completed and that the invoice amounts are correct prior to including the amount for authorisation.  Agreed in advance and supported by receipts. | Existing procedures are deemed adequate |
| VAT | Failure to reclaim  VAT is reclaimed incorrectly | L  L | Reclaimed promptly on notification by HRMC that quarterly VAT return is due.  All accounts are reconciled prior to processing | Existing procedures are deemed adequate  Accounting software is a check against mistakes |
| AGAR | Failure to submit within time limits | L | Internal Auditor is appointed by the Council and makes a regular visit in April of each year to the Clerk’s office and is supplied with the completed AGAR and all the necessary documents to undertake the relevant checks. Once signed off by the Internal Auditor the AGAR is presented to the May full Council meeting. If agreed the AGAR is duly signed by the RFO and Chairman and sent to the External Auditor | Existing procedures are deemed adequate and well within timescales to cover any unforeseen eventualities. |
| Charges – rentals receivable | Non-receipt of Rent | L | The Parish Council does not presently receive any regular rent. Hire rental is charged at the point of booking, payment required before date of hire | Existing procedures are deemed adequate |
| Salaries and associated costs | Salary paid incorrectly.  Wrong NI or PAYE deductions made.  Unpaid tax or NI | L  L  L | Salary amounts are presented to members prior to payment. NI/PAYE is calculated using the government online BASIC PAYE software and paid monthly to avoid missed payments | Existing procedures are deemed adequate |
| Data protection | Provision of policy | H | Compliance with GDPR. Annual assessment prior to certification renewal with Information Commissioner’s Office.  Council’s privacy notice and retention policy reviewed annually.  Available via website | Existing procedures are deemed adequate |
| Freedom of Information Act | Provision of policy | H | Available via website and reviewed in line with legislation.  Requests made under FOI monitored | Existing procedures are deemed adequate |

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| **2. ASSETS** | | | | |
| **Subject/item** | **Risk(s) identified** | **Risk level H/M/L** | **Management/control of risk** | **Review/Assess/Revise** |
| Street furniture, play areas, open spaces, noticeboards, office equipment, gates and fences, footpaths | Loss or damage  Risk/damage to third party(ies) or to property | L  M | Assets are regularly inspected and repairs actioned promptly.  Insurance and asset registers are updated with acquisitions and disposal, and checked thorough on an annual basis.  Assets are insured | Existing procedures are deemed adequate |

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| **3. LIABILITY** | | | | |
| Contractors | Not insured or inadequately insured  Health & Safety Certificates | M  M | All contractors must hold public liability insurance | Existing procedures are deemed adequate |
| Public liability | Risk to third party, property or individuals, including volunteers | M | Annual Review of Insurance to ensure cover is adequate | Existing procedures are deemed adequate |
| Employer liability | Non-compliance with employment law | L | Membership of KALC  Employ external HR resources if required | Existing procedures are deemed adequate |
| Legal liability | Proper and timely reporting via minutes  Document control | L  L | Minutes and agendas are produced by the Clerk and adhere to the legal requirements and best practice guidelines, are numbered, signed and dated by the chairman.  Minutes and agendas are displayed according to legal requirements. | Existing procedures are deemed adequate |

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| **4. COUNCILLORS PROPRIETY** | | | | |
| Members interests | Conflict of interests  Register of interests (DPIs) | M  M | Declarations of interest by members included on agenda for each full Council and Planning Committee meetings.  Register of members interest updated and passed on to the local authority when necessary | Existing procedures are deemed adequate  Existing procedures are deemed adequate |