

## HUCCLECOTE PARISH COUNCIL – FINANCIAL RISK ASSESSMENT

Approved and adopted by Council

### Definition of Risk Management

Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus; structures and processes, standards of conduct and service delivery arrangements.

This document has been produced to enable Hucclecote Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.

FINANCIAL AND MANAGEMENT				
Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
Precept	Adequacy of precept in order for the Council to carry out its Statutory duties	L	To determine the precept amount required, at the precept meeting (usually January) the Council receives a draft budget report prepared by the Clerk, including actual position and forecasted position. Using this information the Council prepares its budget, including money for any projects, and calculates the required funding (precept amount). A request is then submitted to Tewkesbury Borough Council no later than 31 <sup>st</sup> January. The Council receives quarterly budget reports.	Financial Regulations (FR) ensure that an accurate budget is set and Precept requested, see 3.4
Financial Records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which sets out the requirements. Scribe accounting system is used for recording payments, receipts, bank reconciliation, VAT submissions and producing reports.	Annual Review of Financial Regulations (FR) undertaken Existing procedures meet requirements, see 1 of FR
Banking	Lack of control over banking/ inadequate checks	L L	The Council has Financial Regulations which set out banking requirements, including monthly reconciliation/reports presented at Parish Council meetings. Payments to be authorised by 3 signatories, members have access to internet banking.	Existing procedures ensure that banking controls are followed, see 5 of FR
Reporting and auditing	Reporting Information communication	L	Financial reporting is a monthly agenda item. Members have the opportunity to discuss, question, review financial matters during the monthly Parish Council meeting. Internal control system in place and reported to full	Relevant procedures in place

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			council.	
Grants	Receipt of grants	L	Grant applications/procedures are followed and decisions shared with members as and when relevant.	Relevant procedures in place
Grants and support payable	Authorisation of Council to pay	L	All such expenditure must adhere to the Councils grant awarding policy, minuted and listed accordingly if a payment is made using S137 powers of expenditure.	Existing procedures meet requirements, see Grant policy
Best value accountability	Work awarded incorrectly. Overspend on services.	L L	Financial Regulations followed. Quotations/estimates obtained where required and approved by full council. Financial controls to be undertaken and monitored. Procurement procedures to be followed.	Existing procedure adequate.  Financial controls and procurement are set out in Standing Orders, see 18 and FR 10
Salaries and assoc. costs	Salary paid incorrectly. Unpaid Tax/Ni to HMRC.	L L	Contract of Employment in place for all employees Annual review of salaries to be undertaken before annual Precept is agreed All payroll reporting, HMRC and pension payments administered by Azets Ltd	Existing procedures meet requirements, see 7 of FR
Employees	Fraud by staff	L	Requirements of Fidelity Guarantee insurance adhered to with regards to fraud.	Existing procedures meet requirements Internal controls in place
	Health and safety	L	Health and safety policy reviewed annually. All employees to be provided adequate direction and safety equipment needed to undertake their roles	Regular monitoring of health and safety requirements
	Loss of Clerk	L	Clerical assistant to cover short term, insurance to cover key person absence.	
VAT	Reclaiming/charging	L	The Council has Financial Regulations which set out the procedures to be followed. VAT charged on all services, and electronic quarterly return submitted to HMRC via Scribe.	
External Audit Annual Return	Submit financial documentation as required within time limits	L	External Audit Annual Return completed and signed by the Council at the annual meeting (May). The internal auditor undertakes an inspection/audit during April. The Clerk to ensure that further requests from the External Auditor are responded to promptly and reported to the Full Council.	Existing procedures meet requirements Currently the internal audit is carried out by Mr Selkirk remotely.
<b>LIABILITY</b>				
Legal Powers	Illegal activity or	L	All activity and payments within the powers of the	Existing procedures meet

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	payments		Parish Council to be resolved/approved at full Council.	requirements
Minutes/agendas/ Notices Statutory Documents`	Accuracy and legality relating to official business documentation Business conduct	L  L  L	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements. Minutes are consecutively numbered, approved at full council meeting and signed and dated by the chair.  Agenda displayed according to legal requirements.  Business conducted at Council meetings should be managed by the Chair.	Standing Orders meet all legal requirements. Members adhere to Code of Conduct
Members interests	Conflict of interests Register of members interests	L  L	Declarations of interest by members at Council meetings. Register of members' interests' forms reviewed regularly and passed on to the local authority monitoring officer.	Existing procedures adequate. Members take responsibility to update register when required
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L	An annual review is undertaken of all insurance arrangements to include: <ul style="list-style-type: none"> <li>• Employers and Employee liabilities</li> <li>• Fidelity</li> <li>• Public Liability</li> <li>• Assets and Equipment</li> <li>• Key person cover</li> <li>• Business interruption</li> </ul>	Existing procedure adequate. Insurance reviewed annually, see 15 of FR
Data protection	Policy provision	L	The Parish Council is registered with the Data Protection Agency	Ensure annual renewal of registration
Freedom of Information	Policy Provision	L	The Council has a Model Publication scheme in place. Fees for information should be based on time management in obtaining such information.	Monitor any requests made under FOI
<b>ASSETS</b>				
Assets	Loss or damage Risk/damage to third party (ies) property	L	An annual review of assets is undertaken for insurance purposes.	Asset register reviewed annually
Maintenance Play area	Poor performance of assets or amenities. Risk to health and safety to the general public.	L	All assets owned by the Parish Council are regularly inspected, reviewed and maintained. All repairs and relevant expenditure relating to repairs are actioned/authorised in accordance with the correct procedures of the Parish Council. Monthly and quarterly inspections of the play area are	Existing procedures meet requirements  During COVID government guidelines were followed

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Village Hall/ car park			undertaken by members and an annual inspection of play equipment is carried out by a qualified third party to comply with RoSPA requirements. Reported faults/damage are dealt with promptly. Annual risk assessment undertaken and reviewed. Assets are fully insured.	
Notice Board  Street furniture/dog and litter waste bins  CCTV	Risk of damage	L	The Parish Council has six noticeboards, which are inspected monthly.  Any reports of damage or faults are reported to the council and dealt with in accordance with procedures.  Annual maintenance.	Existing procedures meet requirements  Street furniture to be inspected on a regular basis
Meeting locations	Adequacy Health & Safety	L	The Parish Council meets in the Pineholt Village Hall, risk assessment noted.	Venue meets requirements
Council records – paper	Loss through: Theft Fire damage	L L L	The Parish Council records are stored at the Pineholt Village Hall. Records include historical correspondences, minutes, insurance policy and information, bank records, policies, data protection records, Member's declaration of interests. All documents are kept secure. Fire proof safe used for important documents.	Damage (apart from fire) and theft is unlikely and so provision meets the expected requirements
Council records – electronic	Loss through: Theft, fire damage or corruption of computer	L	The Parish Council electronic records are stored on the Council computer. Backups of electronic data are made at regular intervals; an external hard drive back up is taken and stored off site. Adequate anti-virus protection is renewed annually.	Existing procedures meet requirements External back up to be taken

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Next review: February 2024

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