

## SOURTON PARISH COUNCIL FINANCIAL RISK ASSESSMENT 2021

| <u>Subject</u>             | <u>Risk(s) Identified</u>                                              | <u>Risk Score</u><br><u>H/M/L</u> | <u>Management/Control of Risk</u>                                                                                                                                                                                                                                                | <u>Review Date/Reassessment</u>                                                                                                                                                                 |
|----------------------------|------------------------------------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Business Continuity        | Council not being able to continue its business or tragic circumstance | M                                 | All files and recent records kept at the clerk's home. Computer back up of files taken regularly. In the event of the clerk being indisposed, the chairman holds the details of website and email log on information.                                                            | Reviewed March 2021 – new chairman appointed. Scheme of Delegation agreed in March 21 to allow for continuity during lockdown periods.                                                          |
| Meeting Location           | Adequacy Health and Safety                                             | L                                 | Meetings are held in the Sourton Village Hall Door key is kept at the hall in the event the clerk is indisposed. The premises and facilities are considered to be adequate for the clerk, councillors and any public who attend from a health, safety and comfort point of view. | Adequate risk control in place. Reviewed for Covid Regulations and Zoom meetings begun UFN. Reuse of the hall will commence when legislation permits and in line with Covid secure requirements |
| Council Records            | Loss through theft fire or damage                                      | M                                 | Current papers held in a filing cabinet in the clerk's home. Archive material also kept here.                                                                                                                                                                                    | Damage or theft is unlikely so provision adequate.                                                                                                                                              |
| Council Records Electronic | Loss through damage fire, corruption of computer                       | L                                 | The parish council's electronic records are stored on the council's computer, USB and the cloud.                                                                                                                                                                                 | Adequate risk control in place                                                                                                                                                                  |
| Precept                    | Adequacy of precept                                                    | L                                 | Sound budgeting to underline annual precept. The parish council receives monthly banking information, quarterly budget updates, and a detailed budget in the autumn. The precept is an agenda item in December.                                                                  | Existing procedure adequate.                                                                                                                                                                    |

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| Insurance                       | Adequacy                          | L | An annual review is undertaken of all insurance arrangements in place. Employers liability, public liability and and fidelity guarantee are a statutory requirement. Current levels as per the insurance schedule.                                                                                                                                                                                                                                        | Existing procedure adequate.<br>Review provision and compliance<br>Annually.                                                                                                     |
|                                 | Cost                              | L |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                  |
|                                 | Compliance                        | L |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                  |
|                                 | Fidelity guarantee                | L |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                  |
| Banking                         | Inadequate checks                 | L | The council has Financial Regulations which set out the requirements for banking, cheques and the reconciliation of accounts. Accounts are annually reviewed by internal audit.                                                                                                                                                                                                                                                                           | Existing procedures adequate.<br>Review Financial Regulations<br>annually. <b>2021 non signatory councillor reviewed all bank recs and signed statements as per Finance Regs</b> |
| Cash                            | Loss through theft or dishonesty. | L | The council has no petty cash or float. Any cash transactions made by the clerk, are fully receipted and then re-imbursed paid by cheque.                                                                                                                                                                                                                                                                                                                 | Existing procedures adequate.                                                                                                                                                    |
| Financial controls and records. | Inadequate checks                 | L | Monthly reconciliations/Finance reports prepared by the clerk and checked by the chairman at the agenda meeting. Two out of <b>three</b> signatories required per cheque. Two out of <b>three</b> to agree internet banking payments. Internal audit. Any financial obligation must be resolved and clearly minuted before any commitment. All payments must be resolved and clearly minuted. Any S137 payments must be recorded at the time of approval. | Existing procedures adequate- <b>Scheme of Delegation agreed in March 21 to allow for continuity during lockdown</b>                                                             |
| Freedom of Information Act.     | Policy Provision                  | L | The council has the model publication scheme for local councils in place.                                                                                                                                                                                                                                                                                                                                                                                 | Monitor and report any impacts made under Freedom of Information Act.                                                                                                            |
| Clerk                           | Loss of clerk                     | M | The requirements of fidelity insurance guarantee must be adhered to. Clerk should be provided with any relevant training, reference books, access to assistance and legal advice                                                                                                                                                                                                                                                                          | Membership of DALC maintained.<br>Monitor working conditions.<br><b>Membership of SLCC agreed in 2020.</b>                                                                       |
|                                 | Actions                           | L |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                  |
|                                 | Fraud                             | L |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                  |

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|---------------------------------------|------------------------------------------------------------------|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Election                              | Risk of Election cost                                            | M      | Risk is higher in election year. There are no measures which can be adopted to minimise the risk of a contested election. A contingency fund should be kept to meet these possible costs, particularly in election year.                                                               | Included in financial budget when setting precept. <b>Contingency now implemented</b>                                      |
| VAT                                   | Re-claiming/charging                                             | L      | The council has financial regulations which set out the requirements. VAT reclaims are undertaken annually.                                                                                                                                                                            | Existing procedures adequate.                                                                                              |
| Annual Return                         | Not submitted within time limits.                                | L      | Annual return is completed and signed off by the council submitted to the Internal Auditor for completion and signing, within the time limit.                                                                                                                                          | Existing procedure adequate.                                                                                               |
| <b>ASSETS</b>                         |                                                                  |        |                                                                                                                                                                                                                                                                                        |                                                                                                                            |
| Street furniture                      | Damage to or theft of equipment/benches etc.                     | L      | An asset register is kept up to date and insurance is held at the appropriate level for all items. Regular checks are made on all equipment by members of the council.                                                                                                                 | Existing procedure adequate.                                                                                               |
| <b>LIABILITY</b>                      |                                                                  |        |                                                                                                                                                                                                                                                                                        |                                                                                                                            |
| Legal Powers                          | Illegal activity or payments Working parties taking decisions.   | L<br>M | All activity and payments made within the powers of the parish council are to be resolved and clearly minuted. <b>No working parties exist within the parish council.</b>                                                                                                              | Existing procedures adequate. <b>If working party is created Terms of Reference will be agreed at full council meeting</b> |
| Minutes/ Agendas/ Statutory Documents | Accuracy and legality Non compliance with statutory requirements | L<br>L | Minutes and agendas are produced in the prescribed method and adhere to legal requirements. Minutes are approved and signed at the next meeting. Minutes and agendas are displayed according to legal requirements. Business conducted at council meetings is managed by the chairman. | Existing procedures adequate. Undertake adequate training. Councillors to adhere to the Code of Conduct.                   |
| Public liability                      | Risk to third party, Property or individuals                     | M      | Insurance is in place. Risk assessment of any individual event undertaken.                                                                                                                                                                                                             | Existing procedure adequate.                                                                                               |
| Employer                              | Non compliance with                                              | L      | Undertake adequate training and seek advice from DALC                                                                                                                                                                                                                                  | Existing procedure adequate                                                                                                |

|                 |                                                                   |   |                                                                                                                                              |
|-----------------|-------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------|
| Liability       | Employment law                                                    |   | or District Council where necessary.                                                                                                         |
| Legal Liability | Legality of activities<br>Proper and timely reporting via Minutes | M | Clerk to clarify legal position on proposals and seek advice if necessary. Council always receives and approves minutes at monthly meetings. |

**COUNCILLORS PROPRIETY**

|           |                               |   |                                                                                                                                                    |                                                                                          |
|-----------|-------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Members   | Conflict of interest          | M | Councillors have a duty to declare any interest at the start of the meeting. Register of Members Interests form to be reviewed on an annual basis. | Existing procedures adequate<br>Members to take responsibility to update their register. |
| Interests | Register of Members Interests | L |                                                                                                                                                    |                                                                                          |

Adopted at a meeting on 22 Apr 21

To be reviewed in 1 year