

BRADFIELD PARISH COUNCIL
ANNUAL RISK ASSESSMENT REVIEW JULY 2018 APPROVED

Financial and Management

<u>SUBJECT</u>	<u>RISK IDENTIFIED</u>	<u>H/M/L</u>	<u>MANAGEMENT/CONTROL OF RISK</u>	<u>REVIEW/ASSESS/REVISE</u>
<i>Business Continuity</i>	<i>Risk of council not being able to continue its business due to an unexpected tragic circumstance</i>	<i>L</i>	<i>In the event of the loss or long term incapacity of the Clerk or Councillors and to negate the effect of loss or theft of records, the records are stored in a locked filing cabinet at the Clerk's home and in the Cloud. Essex Association of Local Councils can provide temporary personnel to cover for the clerk if needed. The website is now kept up to date with relevant records including minutes and policy documents.</i>	
<i>Precept</i>	<i>Ensuring precept is adequate</i> <i>Ensuring requirements submitted to Tendring District Council</i> <i>Ensuring precept</i>	<i>L</i> <i>l</i> <i>L</i>	<i>The precept must be considered by the Full Council taking into account progress against budgets from the previous year and expected inflationary increases for the coming year. With this information and consideration of finance required for any new projects, the precept amount is to be agreed and communicated by the Clerk in writing to Tendring District Council. The Council is advised by the Clerk when the Precept is</i>	

	<i>received</i>		<i>received usually in April and October.</i>	
Financial Records	<i>Inadequate records</i>	<i>L</i>	<i>The records are kept up to date by the Clerk with regular updates provided to Council meetings monthly in the form of bank statements and bank reconciliation statements and budget monitoring analysis. A councillor undertakes an independent check of bank statements and bank reconciliations which are now held in the cloud based storage.</i>	.
	<i>Financial irregularities</i>	<i>L</i>	<i>The Council has purchased bespoke parish council accounting software to ensure all financial records are kept up to date and in order. This is backed up to the Cloud on a weekly basis.</i>	
		<i>L</i>	<i>The Council has its own online banking audit procedures approved in May 2018 The Council has financial regulations which set out the requirement and these must be reviewed annually. Last review May 2018</i>	
Bank and Banking	<i>Lack of regular reconciliation</i>	<i>L</i>	<i>The Council has financial regulations which set out the requirement and these must be reviewed annually – reconciliation statements are to be reviewed at least quarterly and are subject to a check by a named councillor.</i>	
	<i>Loss through theft or dishonesty</i>	<i>L</i>	<i>All payments require two signatories from four nominated signatories and payments</i>	

	<i>Inadequate checks/bank errors</i>	<i>L</i>	<i>are usually only authorised at monthly meetings on sight of invoices which are examined and initialled by cheque signatories. The Council's own audit procedures reviewed in May 2018 set out procedures for necessary payments outside of meetings. Minutes MUST record cheque numbers authorised and who has signed the cheques confirming that everything signed in accordance with bank mandates. Fidelity Insurance guarantee stands at £250,000 Bank statements are received and reconciled by the Clerk monthly and any queries raised with bank immediately and reported to the Council at meetings.</i>	
<i>Cash</i>	<i>Loss through theft or dishonesty</i>	<i>L</i> <i>L</i>	<i>No petty cash held.</i> <i>There is no regular cash income, but any cash received would be dealt with in accordance with the Council's Financial Regulations which are reviewed and updated annually.</i>	<i>Existing procedures adequate.</i>
<i>Costs/expenses/debts</i>	<i>Goods not supplied but billed</i> <i>Incorrect invoicing</i>	<i>L</i> <i>L</i>	<i>Financial regulations set out requirements. The Clerk checks all invoices are held and councillor signatories authorising payments ensure that they have had sight of the relevant invoice, that it is properly addressed to the Council and relates to goods and/or</i>	<i>.</i>

	<p><i>Cheques payable completed incorrectly</i></p> <p><i>L</i></p> <p><i>Unpaid invoices (issued by the Council)</i></p> <p><i>L</i></p>	<p><i>services provided to the parish council</i></p> <p><i>Invoices must be checked in the first instance for validity and accuracy by the Clerk and at each council meeting a list of invoices for payment is circulated and approved by FULL COUNCIL, and cheque signatories must initial and check invoices cheques and cheque book stubs for discrepancies.</i></p> <p><i>The Council does not supply regular services to anyone and financial regulations are now diarised to be reviewed regularly to deal with such matters.</i></p>	
<p><i>Payment for major works/projects</i></p>	<p><i>Works awarded incorrectly</i></p> <p><i>L</i></p>	<p><i>Financial Regulations set out requirements and if three quotations not available then reasons for this are recorded in minutes, together with evidence of how Best Value is being measured.</i></p> <p><i>Financial management of projects should</i></p>	

Best Value accountability	Overspend on Agreed projects	L	normally be undertaken by the Clerk and underspends/overspends reported to the council accordingly. Over spends are properly managed and authorised in accordance with financial regulations.	
Salaries and associated costs	Salary paid incorrectly	L	Salary rates must be reviewed at least annually and any changes implemented fully recorded in minutes. Payments in respect of salaries are checked against monthly salary slip showing gross payment tax/ni paid and net payment due and PAYE payments due to Inland Revenue are now paid at least quarterly for the full and correct amount of PAYE due including tax collected and employer/employee NI contributions. Monthly returns submitted electronically to Inland Revenue reported to Council and are checked for accuracy by Internal Auditor	Clerk using payroll software to produce reports and pay slips which can be viewed by the Council at monthly meetings.
	Wrong hours or rate paid	L		
	Wrong deductions of NI and tax	L		
	Unpaid tax or NI contributions to Inland Revenue	L		
Employees	Loss of Key Personnel	L	See Annual Risk Assessment section Business Continuity	
	Fraud by staff	L	See Annual Risk Assessment section Bank and Banking	
	Actions undertaken by staff	L	Interim Clerk is Cilca qualified and has Cert H.E. Local Policy qualification including Power of Well Being qualification.	

	<i>Health and Safety</i>	<i>L</i>	<i>Indemnity insurance held for staff and volunteer councillors</i> <i>Training budget has been put in place for relevant training and access to legal advice and assistance facilitated by membership of SLCC and EALC.</i>	<i>Council to ensure membership of relevant bodies is kept up to date.</i> <i>Councillors are to be aware of shortfalls in their own knowledge and take responsibility for their own training needs.</i>
	<i>Contract of Employment</i>	<i>L</i>	<i>Clerk works from home and undertakes regular risk assessments of home office. Employee liability insurance up to date</i>	
	<i>Contract of Employment</i>	<i>L</i>	<i>NALC recommended Contract of Employment is in place for Clerk</i>	<i>Annual review of salary diarised.</i>
<i>VAT</i>	<i>Re-claiming</i>	<i>L</i>	<i>Vat due recorded on computerised accounting system and reclaimed amounts are reported to the Council and checked by Internal Auditor annually for accuracy and to confirm reclaim received.</i>	<i>Council/Clerk to ensure that all VAT repayable is claimed at least annually.</i>
<i>Annual Returns</i>	<i>Ensuring submission within time limits</i>	<i>L</i>	<i>The Clerk and Council are aware of time limits for both Inland Revenue and External Auditor returns and these MUST BE submitted annually within deadlines set. Clerk and councillors are mindful of relevant deadlines and year end accounts</i>	

			<i>must be produced as soon as possible after the year end (31st March) with internal auditor appointed BY THE COUNCIL, to undertake relevant checks and provide a full report which MUST be made available to all councillors.</i>	
<i>Legal Powers/Grant Funding s137</i>	<i>Illegal activity or payments by the Council</i>	<i>L</i>	<i>All payments MUST be approved by the Council and reference to the relevant spending power clearly recorded in the minutes.</i>	
<i>Minutes/agendas</i>	<i>Accuracy/Legality</i>	<i>L</i>	<p><i>Clerk is fully trained to produce minutes and agendas in the prescribed format which adhere to legal requirements.</i></p> <p><i>The Clerk ensures that a formal ‘Minutes’ book is maintained and that all minutes are signed and recorded in that book</i></p> <p><i>Minutes are approved and signed by the Chairman at the next available council meeting.</i></p> <p><i>Agendas are circulated to councillors and displayed on the noticeboards in accordance with legal requirements</i></p> <p><i>Business at meetings conducted in accordance with Agenda and Standing Orders which are reviewed annually (last</i></p>	<i>Existing procedures adequate</i>

			<i>review May 2016)</i>	
GDPR	<i>Storing information/risk of data breaches</i>	<i>L</i>	<i>Council has in place a data audit with actions taken to protect personal data</i>	<i>Councillors to be reminded to review their own electronic and paper files including e-mails to ensure no unnecessary data stored on personal hard drives or at home in paper format.</i> <i>Reviewing the possibility of .gov.uk e-mail addresses to reduce risks.</i>
<i>Members interests</i>	<i>Conflict of Interests</i>	<i>L</i>	<i>All councillors are reminded of their responsibilities.</i>	<i>Existing procedure adequate</i>
	<i>Register of members' interests</i>	<i>L</i>	<i>A specific agenda item at each meeting prompts councillors to declare any personal or prejudicial interests.</i> <i>All members review and update their registers at least annually.</i>	<i>Existing procedure adequate</i>
<i>Insurance</i>	<i>Adequacy/cost</i>	<i>L</i>	<i>Annual review of insurance is to be undertaken to ensure all risks/assets adequately covered and annual insurance premiums reasonable.</i>	

Physical Equipment or Areas

<u>Subject</u>	<u>Risk Identified</u>	<u>H/M/L</u>	<u>Mangement/Control of Risk</u>	<u>Review/Asses/Revise</u>
Assets Maintenance/Damage	Loss or Damage	L	Adequate insurance is in place and reviewed Annually and an up to date register of assets is maintained which is reviewed annually.	Existing procedure adequate Weekly checks - urgent review needed as these are not currently being undertaken.
	Risk or damage to third party property or individuals	M	<u>Play Equipment/Play Areas/Car Park</u> Regular weekly checks of play equipment and recreation grounds (including car park) are currently being reviewed. Adequate record system to be set up and follow up for works needed.	
		M	Annual play inspections are undertaken by an independent qualified contractor.	
		L	Council contractors all have valid public liability insurance. Clerk/Council is to ensure that all contractors have up to date Public Liability Insurance.	
Parish Cemetery		L	Systems are in place to record burials and ashes burials via bespoke Cemetery software.	

		<i>L</i>	<i>Policies are in place with regards size and positioning of headstones and A Working party is reviewing all aspects to mitigate risks to the Council of mis-management.</i>	<i>procedures to be put in place to ensure regular Health and Safety monitoring of existing headstones – unsafe headstones to be laid down.</i>
<i>Meeting location</i>	<i>Adequacy</i>	<i>L</i>	<i>Monthly meetings are held at Bradfield Methodist Church Hall (this is currently under review) and any Health and Safety concerns reported to the Church Hall Management Committee for action.</i>	<i>Existing procedures adequate – councillors to take responsibility for reviewing safe lifting procedures when setting up and putting away furniture for meetings.</i>
	<i>Health and Safety</i>	<i>L</i>	<i>All facilities are adequate for purpose</i>	

SIGNED

CLERK.....Denise Humphris.....

DATE.....July 2018.....