

Upton Parish Council Financial Risk Assessment – Updated January 2022

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Parish Council to identify any and all potential inherent risks. The Parish Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible. This document has been produced to enable Upton 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) indentified	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, the Council regularly receives budget update information monthly. At the precept meeting Council receives a budget report, including actual position and projected position to the end of year and indicative figures or costings obtained by the Clerk. With this information the Council determines the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be demanded from West Northants Council.	Existing procedure adequate.
Financial Records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which sets out the requirements.	Existing procedure adequate Review the Financial regulations when necessary

Loss of Clerk/RFO	Inability to process transactions	L	Council is a member of NCALC who would be able to advise on/supply the services of a locum Clerk who is able to undertake most tasks in the event of the loss of a Clerk/RFO	Existing procedure adequate
Bank and banking	Inadequate checks Banks mistakes	L L L	The Council has Financial Regulations which set out banking requirements Bank mandates are reviewed as and when required and after an ordinary election Quarterly Bank Statement reconciliation by Councillors including reconciliation to the cashbook	Existing procedures adequate
Reporting and auditing (internal and external)	Information communication	L	Up to date Budget Analysis is provided quarterly to Full Council. Copies of all bank statements are reviewed by the Clerk when received and reconciled quarterly at Full Council External Auditor appointed nationally Internal Auditor appointment, scope and effectiveness reviewed annually by Council. Report of auditor reviewed by Council and actioned appropriately.	Existing procedures adequate.
Grants	Receipt of grant	L	Parish Council does not presently receive any regular grants but has been the recipient of ad-hoc grant funding for specific projects	Procedure would be formed, if required
Charges-rents receivable	Payment of rents	L	Parish Council does not currently receive any rents but as it is consider asset transfer in future, a	Under review

			policy may be required	
Grants and support payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval and is minuted.	Existing procedure adequate.
Best value accountability	Work awarded incorrectly. Overspend on services.	L M	Normal Parish Council practice would be to seek 3 quotations for any substantial work to be undertaken. For major work competitive tenders would be sought. If problems encountered with a contract the Clerk would investigate the situation and report to the Council.	Existing procedure adequate.
Salaries and assoc. costs	Salary paid incorrectly. Unpaid Tax to Inland Revenue and LGPS	L L	Payroll services outsourced Clerk checks to ensure payment of tax and LGPS are made.	Existing procedure adequate
Employees	Fraud by staff Health and safety	L L	Requirements of Fidelity Guarantee insurance adhered to with regards to fraud. All employees to be provided adequate direction and safety equipment needed to undertake their roles	Existing procedures adequate. Monitor health and safety requirements and insurance annually.
VAT	Reclaiming/charging	L	VAT is reclaimed annually	Existing procedures adequate
Year End accounts and Annual Governance Statement	Approve year end accounts and submit annual governance statement within statutory time limits	L	Year End account and Annual Governance Statement is completed and submitted online within the prescribed time frame by the Clerk. Annual Governance Statement completed and signed by the Council, submitted to internal	Existing procedures adequate.

			auditor for completion and signing then checked and sent to External Auditor within time frame.	
Reserves	Inadequate level of reserves	L	Council retains sufficient earmarked and general reserves in excess of current CIPFA recommendations.	Existing procedures adequate
Treasury Management	Not achieving best returns on investments, risk of loss of investments	L	Council adopts a Treasury Management Policy annually which includes low risk investment options	Treasury Management Policy required
Legal Powers	Illegal activity or payments	L	Council does not currently have General Power of Competence as it does not meet the requirements of elected members. All activity and payments within the powers of the Parish Council to be resolved at full Council Meetings including powers where this is not obvious.	Existing procedures adequate
Minutes/agendas/ Notices Statutory Documents`	Accuracy and legality	L	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting.	Existing procedures adequate.
	Business conduct	L	Agenda displayed according to legal requirements. Business conducted at Council meetings should be managed by the Chair	Members adhere to Code of Conduct
Members interests	Conflict of interests	L	Declarations of interest by members at Council meetings.	Existing procedures adequate.
	Register of members interests	M	Register of members interests' forms reviewed regularly and published on our website	Members take responsibility to update register.

Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	An annual review is undertaken of all insurance arrangements. Employers and Employee liabilities a necessity and within policies. Ensure compliance measures are in place.	Existing procedure adequate. Insurance reviewed annually.
Data protection	Policy provision	L	The Parish Council is registered with the Information Commissioners Office – currently reviewing processes to ensure compliance with new GDPR regulations	Ensure annual renewal of registration. Review underway to ensure compliance with GDPR
Freedom of Information	Policy Provision	L	The Council has a Model Publication scheme in place.	Monitor any requests made under FOI.