Woldingham Parish Council Financial Risk Assessment

"The greatest risk facing a local authority is not being able to deliver the activity or services expected of the Council."

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the employer to identify any and all potential risks inherent in the place or practices. Based on a recorded assessment the employer should then take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible. Making sure that all employees are made aware of the results of the risk assessment.

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

- ✍ Identify the areas to be reviewed.
- ✍ Identify what the risk may be.
- ✍ Evaluate the management and control of the risk and record all findings.
- ✍ Review, assess and revise if required.

FINANCIAL AND MANAGEMENT

Subject	Risk(s) Identified	H / M / L	Management/Control of Risk	Review/Assess/Revise
Councillors	Losing Councillor membership or having more than 5 vacancies at any one time	H	When a vacancy arises there is a legal process to follow. This either leads to a bye-election or into a co-option process. An election is out of the Parish Council's control. The co-option process begins with an advert, acceptance of applications, consideration of applicants and cooption vote at a Council meeting then appointment. If there are more than 5 vacancies at any one time on the Council it becomes inquorate. The legal process of the District Council appointing members takes place.	Existing procedures adequate. Procedures of another body are adequate.

Direct costs Overhead expenses Debts	Goods not supplied but billed Incorrect invoicing Cheque payable incorrect Loss of stock Unpaid invoices	L L L L L	The Council has Financial Regulations which set out the requirements. At each Council meeting the list of invoices awaiting approval is distributed to Councillors' on Appendix B and considered. Two Councillors check each invoice against Appendix B and associated paperwork and invoices. Council approves the list of requests for payment.	Existing procedure adequate.

Woldingham Parish Council Financial Risk Assessment

Grants and support - payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval, minuted and listed accordingly. If a payment is made using the S137 power of expenditure. Council adopted the General Power of Competence in Jan 2016.	Existing procedure adequate. Parish Councillors request S137 rules if required.
Grants - receivable	Receipts of Grant	L	One off grants would come with terms and conditions to be satisfied.	Existing procedure adequate
Best value Accounta-bility	Work awarded incorrectly Overspend on services	L M	Normal Parish Council practice would be to seek, if possible, more than one quotation for any substantial work required to be undertaken or goods over £5,000 as per standing orders. For major contract services, formal competitive tenders would be sought. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council. This is covered in the Financial Regulations.	Existing procedure adequate. Include when reviewing Financial Regulations .
Salaries and assoc. costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L L L	The Parish Council authorises the appointment of all employees through a Committee. Salary rates are assessed annually by the Chairman and applied on 1 April each year. Salary analysis and slips are produced by the External payroll provider on a monthly basis together with a schedule of payments P32 to the Inland Revenue (for Tax and NI). These are inspected at the Council meetings and signed off and paid by the Clerk. . All employees have a contract of employment and job description. Salaries are paid in arrears, on the 28th of the month worked. Salaries, expenses and overtime are paid by BACS. The Financial Councillor plus one other sign off the authorisation for payments sheet at each meeting.	Existing appointment system adequate.

Employees	Loss of key personnel Fraud by staff Actions undertaken by staff Health & Safety	L L	The requirements of the Fidelity Guarantee insurance to be adhered to with regards to Fraud. The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Existing procedure adequate. Purchase revised books. Membership of the SLCC. Monitor working conditions, safety requirements and insurance regularly.
Councillor allowances	Councillors over-paid Income tax deduction	N/A	No allowances are allocated to Parish Councillors.	No procedure required.

Woldingham Parish Council Financial Risk Assessment

Election costs	Risk of an election cost	L	Risk is higher in an election year, When a scheduled election is due the Clerk will obtain an estimate of costs from the District Council for a full election and an uncontested election. Council to budget towards the cost of elections in any election year.	Existing procedure is adequate .
VAT	Re-claiming/charging	L	The Council has Financial Regulations which set out the requirements. VAT is claimed regularly.	Existing procedure adequate.
Employers Annual Return	Paying and accounting for NI and Tax paid on Salaries	L	Employer's Annual Return is completed and submitted online to the Inland Revenue within the prescribed time frame.	Existing procedure adequate.
Audit - Internal Audit	Completion within time limits	L	Internal auditor is appointed by the Council. Internal auditor is supplied with the relevant documents to audit and the form to complete and sign for the External Auditor. Procedures are all covered in the 'Review of Effectiveness of the system of Internal Audit' which is reviewed annually.	Existing procedure adequate.
Annual Return	Completion/Submission within time limits	L	Annual Return is completed and signed by the Council, submitted to the internal auditor for completion and signing then checked and sent on to the External Auditor within time limit.	Existing procedure adequate.
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Full Parish Council Meetings, including a reference to the power used. As per the Financial Regulations prescribe.	Existing procedure adequate.
Minutes/ Agendas/ Notices Statutory documents	Accuracy and legality Business conduct	L L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to the legal requirements. Business conducted at Council meetings should be managed by the Chair.	Existing procedure adequate. Guidance/training to Chair should be given (if required). Members to adhere to Code of Conduct. Additional members or employees should have website access to post minutes and agendas to ensure timely done.
Members interests	Conflict of interest Register of Members interests	L M	Although not a requirement, the declaring of interests by members at a meeting should be an obvious process to remind Councillors of their duty and should remain on the agenda. Register of Members Interest forms to be reviewed annually by Councillors, or if circumstances change.	Existing procedure adequate. Members take responsibility to update their Register.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place. Ensure Fidelity checks are in place.	Existing procedure adequate. Review insurance provision annually. Review of compliance.

Woldingham Parish Council Financial Risk Assessment

General Data Protection Regulations	Policy Provision	L	The Council is registered with the Information Commissioners Office. The council has adopted all recommended policies associated with the GDPR The council has a contract with GDPR Limited to provide the services of a Data Protection Officer should one be required.	Ensure annual renewal of registration. Ensure Clerk is up to date with current legislation and policies are renewed when required.
Freedom of Information Act	Policy Provision	L M	The Council has a model publication scheme for Local Councils in place. The Clerk is aware that if a substantial request arrives then this may require many hours of additional work. The Council is able to request a fee if the work will take more than 15 hours.	Monitor and report any impacts of requests made under the F of I Act.

PHYSICAL EQUIPMENT OR AREAS

Subject	Risk(s) Identified	H / M / L	Management/Control of Risk	Review/Assess/Revise
Assets	Loss or Damage Risk/damage to third party(ies)/property	L L	An annual review of assets is undertaken for insurance provision, storage and maintenance provisions.	Asset register to be updated in accordance with External Auditors suggestions.
Maintenance	Poor performance of assets or amenities Loss of income or performance Risk to third parties	L L L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned /authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually. All public amenity land is inspected regularly by parish employees.	Existing procedure adequate. Ensure inspections carried out.
Notice boards	Risk/damage/injury to third parties Roadside safety	L L	Any repairs/maintenance requirements brought to the attention of the Parish Council.	Existing procedure adequate.
Street furniture	Risk/damage/injury to third parties	L	All reports of damage or faults are reported to Council and/or dealt with.	Existing procedure adequate.
Council records - Both paper and electronic	Loss through: Theft, Fire Computer corruption	L M M	The Parish Council's electronic records are stored on the Parish laptop. The laptop computer is password protected. Back-ups of documents are taken monthly. The finance records are subject to automatic cloud backup.	Existing procedure adequate.

To be reviewed at the meeting of Wednesday 27 March 2024.