

## Wansford Parish Council Financial Risk Assessment May 2023

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. Financial risk is minimised by the combined efforts of the Parish Council as an employer and its Parish Clerk and Responsible Financial Officer, employee of the Parish Council.

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Precept	Inadequate Precept	L	To determine the precept required, the Clerk/RFO examines the current financial year's accounts together with the projected year-end accounts, and considers all expenditure and income required for the next financial year and creates a budget. This is then presented to Council to enable them to make an informed decision and subsequent approval of such. This will be placed on the Agenda and advertised on the notice boards and website so that the public can attend. The Clerk then liaises with Peterborough City Council for processing and subsequent payment. The Clerk/RFO checks the bank account in April and again in September, to ensure the half yearly precept payments have been made.	The procedures in place are adequate and are reviewed annually.
	Precept not paid by PCC	L	If a payment has not been made, the Clerk contacts PCC to resolve the issue.	
Financial Regulations	Not adhering to policy and procedures as set out in the Financial Regulations	L	The Clerk/RFO and Council follow the Financial Regulations as set out by NALC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council and adopted at the Annual Parish Council Meeting.	Current Financial Regulations are adequate and adopted by Council.
Standing Orders	Not adhering to policy and procedures as set out in the Standing Orders	L	The Clerk/RFO and Council follow the Model Standing Orders as set out by NALC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council and adopted at the Annual Parish Council Meeting.	Current Standing Orders are adequate and adopted by Council.

Banking Records and Banking	Banking / Financial Errors Loss through theft and dishonesty	L	All items of income and expenditure are cross-referenced against the bank statements and a monthly reconciliation report created. All banking records are examined by the Internal Auditor appointed by the Council annually. All expenditure and income are reviewed by the Council at the monthly meeting for approval by Council and minutes as such. All cheques have to be signed by 2 signatories, of the approved signatories appointed by the Council. Blank cheques are never authorised and if a mistake is made, the cheque is automatically cancelled. The Council is also covered by an annual insurance policy.	Current procedure adequate. Current procedure and insurance adequate.
Electronic Payments (BACS)	Incorrect electronic payment or amount made  No monitor on actual electronic entry  Payments made without Council approval	L  M  M	All BACS payments are approved by Council prior to the payment being made. If a payment needs to be made outside of the meeting, then approval is sought from the Chairman first, with the decision and payment ratified at the next available council meeting.	Reviewed Annually
Financial Records	Inadequate Records	L	The Clerk/RFO enters all expenditure and income onto an excel spreadsheet which is electronically saved and backed up. Reports are then created and circulated to council monthly, half yearly and annually. All files are reviewed by the Council and the Internal Auditor also reviews these files annually, before they are submitted to the external auditor, when necessary.	Reviewed Annually
Grants Awarded to Council	Not receiving grant funding when successfully applied for	L	The Clerk/RFO is to ensure that all grant payments are received by Council according to the terms of the grant and at the correct time; following up with the individual local authority and/or organisation if they are not.	Reviewed Annually

Grants Awarded by Council	Not following the grant claims procedure Grant Payments	L	The Clerk/RFO ensures that all qualifying organisations are notified of the claim process annually. The Clerk/RFO ensures that all annual grants are budgeted for and a schedule of such payments kept for audit purposes and future budgeting. Payment is made in accordance with the Grants policy.	Reviewed Annually
Cash	Loss through theft and dishonesty	L	No petty cash is held by the Clerk/RFO. If cash is received as payment it must be banked within 3 days.	Reviewed Annually
Borrowing	Ability to repay loans	L	The Clerk/RFO ensures that appropriate cash-flow forecasting is completed before any loan is applied for.	Reviewed as and when finance is required for a particular project not covered by the Precept and at budget time
Best Value	Charges made on the Parish Council are too high	L	The Clerk/RFO should obtain at least 2 estimates/quotations for any work undertaken by contractors on behalf of the Parish Council and for any major expenditure further quotes, as set out in the Financial Regulations. All estimates/quotations are then to be agreed and approved by full Council and entered in the minutes accordingly.	Current procedure is adequate
Financial Reporting	Insufficient information	L	All income and expenditure are presented at Parish Council meetings via monthly reports and the meeting agendas, along with the balances of all accounts. All income and expenditure are also entered on to the online excel spreadsheet against the correct department/area. The Clerk/RFO ensures that all VAT returns are made, and that all accounts are available for public inspection.	Current procedure is adequate.
Invoices	Goods not supplied but billed  Incorrect Invoicing  Unpaid Invoices	L  L  L	All invoices are only paid after the service or goods have been received to the Council' satisfaction, and only after full Council have approved them. The Clerk/RFO checks all invoices received for accuracy. The Clerk/RFO examines the bank account against the invoices raised and makes contact with customers who remain unpaid.	Current procedure is adequate.

Insurance	Inadequate Cover	L	An annual review is undertaken prior to the renewal of the insurance policy. Third party risk is included within the cover, against the Asset Register to ensure insurance cover is sufficient for the Parish Council's needs. The Parish Council maintains insurance cover in all areas.  The play equipment at the recreational ground is regularly inspected and annually by an External ROSPA Inspector. All Council members, employees of the Parish Council are covered under the personal accident plan of the insurance policy. Risk Assessments are undertaken for any major events and the insurance company notified.  Quotations are requested when each renewal period arises.	Due to the insurance being reviewed annually and cover updated with any capital items as and when required, the current procedure in place is adequate. Quotations will be obtained annually and in cases where a longer term agreement is in place, a review of adequacy will still take to ensure adequate cover is in place, both by the officers and council
	Fidelity Guarantee	L		
	Public Liability	L		
	Personal Accident	L		
	Cost	L		
Audits	Annual Audit is not completed within the set deadline	L	The Clerk/RFO prepares the year end accounts and statements including the Annual Governance and Accountability Return for the Internal Auditor to inspect. Once the accounts have been returned and any recommendations reported on and observed, Council then agrees for the Clerk/RFO and Chairman to approve them. If appropriate, the Council will issue an Exemption Certificate which negates the need to submit to an External Audit. The Clerk/RFO ensures the annual audit Exercise of Public Rights and Conclusion of Audit notices are displayed on the Council website for the public to view, for the prescribed period of time.	Current procedure adequate.
	Annual Audit is not advertised	L		
Freedom of Information Act	Non-compliance with the Model Publication Scheme	L	Information and documentation is made available on the Parish Council website, in order to comply with the Model Publication Scheme. All FOI's are dealt with in accordance with the Model Publication Scheme.	Reviewed annually, therefore current procedure is adequate.
Salaries	Salary and expenses paid incorrectly	L	The Parish Council employs one person; the Clerk and RFO. The Clerk/RFO presents their wage, expenses and any extras such as pension contributions, monthly, via the meeting Agendas. Full Council approves all presented figures at the monthly meetings, which is recorded in the minutes.	Current procedures are adequate.
	Incorrect NI & Tax deductions and Pension contributions		The Clerk & RFO will submit annual earnings for the purpose of taxation and other deductions to HMRC within the appropriate timescale.	

Data Protection	Non-compliance with Data Protection Legislation	L	The Parish Council is registered with ICO the UK Data Protection Agency and is governed by their rules. The Council also have adopted procedures / policies concerning the 2018 General Data Protection Regulation. The Clerk & RFO will take all reasonable action to ensure the safety and security of Parish Council documentation and the Parish Council will monitor that all appropriate action is taken.	Reviewed annually, therefore current procedure is adequate
Physical Assets	Loss or damage Risk/damage to third party property	M L	An annual review is conducted for insurance, storage and maintenance purposes. An annual review is also conducted for the level of public liability insurance required. The Clerk/RFO is to ensure that all rent income and expenditure, is paid in a timely manner and recorded.	The Asset Register is updated when necessary with a full review conducted annually. All rent payments and income are reviewed annually. Reviewed annually.
Financial Assets	Rent not paid or rent income received	L		
	Adequacy of Reserves	L		
			Reserves are considered by Council annually.	