



Stanton under Bardon Parish Council

DOCUMENT CONTROL

Organisation	Stanton under Bardon Parish Council
Title	Financial Risk Assessment
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Financial Risk Assessment

Stanton under Bardon Parish Council is responsible for putting into place measures for the management of risk in respect of all activities of the Parish Council. This document has been produced to enable the Parish Council to assess the risks that it faces through its financial governance and put into place the adequate measures in order to minimise them.

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, then presents this to Council to enable Council to make an informed decision and subsequent approval of such. The public are then notified of this via a meeting Agenda and invited to attend the next full Council meeting, at which Council agree the Precept amount. The Clerk then submits the Precept form to Hinckley and Bosworth Borough Council for processing and payment.	The procedures in place are adequate and are reviewed annually.
	Precept not paid by Local Authority	L	The Clerk/RFO checks the bank account in April and again in September, to ensure the half yearly precept payments have been made by HBBC. If a payment has not been made, the Clerk contacts HBBC and requests them to make the payment.	

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 NCALC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council.	Current Financial Regulations are adequate and adopted by Council.
Grants Awarded to Council	Not receiving grant funding when successfully applied for	L	The Clerk/RFO is to ensure that all grant payments are made to the 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.	All reviewed annually.
Standing Orders	Not adhering to policy and procedures as set out in the Standing Orders	L	The Clerk/RFO and Council follow the Standing Orders as set out by NCALC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council.	Current Standing Orders are adequate and adopted by Council.
Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Bank Records & Banking	Banking / Financial Errors	L	All items of income and expenditure are cross-referenced against the bank statements and a monthly reconciliation report created for authorisation. All expenditure and income are advertised via monthly meeting Agendas before being approved by Council at Parish Council Meetings and minuted as such. The Council is also covered by a Fidelity Guarantee of £250k within the annual insurance policy.	Current procedure adequate.
	Loss through theft and dishonesty	L		Current procedure and insurance adequate.
Electronic Payments (BACS)	Incorrect electronic payment or amount made / No monitor on actual electronic entry	M	Council uses HSBC and has all payments are authorised at monthly Council meetings.	Reviewed annually.
Financial/Account Records	Inadequate Records	L	The Clerk/RFO compiles all paperwork relating to monthly income and expenditure in hard copy. Electronic files are saved to the laptop and are regularly backed-up to the cloud. Governance is reviewed by the Internal Auditor annually before being submitted for external audit.	Reviewed annually.
Investment Account/Income	Loss of funds	L	The account is reviewed regularly and reconciliations are completed for authorisation by the Parish Council.	Review annually.
Grants Awarded by Council	Not following the grant claims procedure	L	The Clerk/RFO ensures the Grants Policy is adhered to and that all qualifying organisations are notified of the claim process annually. The Clerk/RFO also ensures there is a power to pay such grants before presenting the grant application to Council for approval. 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.	All reviewed annually.
	Grant Payments	L		

Cash	Loss through theft and dishonesty	L	No petty cash is held by the Clerk/RFO or Council members. Any sundry items are to be purchased using the Council Debit Card as per procedure outlined in the Financial Regulations.	N/A Current procedure adequate. Reviewed annually.
Financial Reporting	Insufficient information	L	All income and expenditure are presented at Parish Council meetings on the meeting Agenda, along with the balances of all Parish Council bank accounts. The Clerk/RFO ensures that all VAT returns are made in a timely manner and recorded in the accounts. All accounts are available for public inspection.	Current procedure is adequate.

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Debit Card	Incorrect use	M	Use of the Debit Card is restricted to use by or with permission of the Clerk/RFO. All debit card purchases are added to accounts and reviewed and approved on the council agenda under "Finance."	Process reviewed annually.
Best Value	Charges made on the Parish Council are too high	L	The Clerk/RFO should obtain at least 3 estimates/quotations for any work undertaken by contractors on behalf of the Parish Council and for any major expenditure, as set out in the Financial Regulations. All estimates/quotations are then agreed and approved by full Council and minuted accordingly.	Current procedure is adequate.
Audits	Annual Audit is not completed within the set deadline Annual Audit is not advertised	L L	The Clerk/RFO prepares the year end accounts statement and Annual Governance and Accountability Return for the Internal Auditor to review in April. Once the accounts have been returned and any recommendations reported on and observed, Council then approves them at the annual meeting in May, along with all audit papers and the Annual Governance and Accountability Return. These are then submitted to the External Auditor for review. The Clerk ensures the annual audit and conclusion of audit notices are displayed on the Council notice board and website for the public to view, for the prescribed period of time.	Current procedure adequate.
Invoices	Incorrect Invoicing Unpaid Invoices	L L	The Clerk/RFO checks all invoices received for accuracy and ensures all information is entered into the accounts. The Parish Council raises very few invoices. Any unpaid invoices will be followed up by the Clerk as part of month end routines.	Current procedure is adequate.
Freedom of Information Act	Non-compliance with the Model Publication Scheme	L	Information and documentation is made available on the Parish Council website.	Reviewed annually, therefore current procedure is adequate.
Salaries	Salary and expenses paid incorrectly Incorrect NI & Tax deductions and Pension contributions	L L	Stanton Under Bardon Parish Council employs two employees. The Clerk presents their wage, expenses and any extras such as stipend payments and pension contributions, monthly, via the meeting Agendas. Full Council approves all presented figures at the monthly meetings, which is recorded in the minutes. To ensure accuracy of salary and tax/NI payments/contributions, a payroll company is employed to undertake all payroll and pension duties/tasks.	Current procedures are adequate.
Data Protection	Non-compliance with Data Protection Legislation	L	Stanton Under Bardon Parish Council is registered with ICO the UK Data Protection Agency and is governed by their rules.	Reviewed annually, therefore current procedure is adequate.

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Insurance	<p>Inadequate Cover</p> <p>Fidelity Guarantee</p> <p>Public Liability</p> <p>Personal Accident</p>	<p>L</p> <p>L</p> <p>L</p> <p>L</p>	<p>An annual review is undertaken prior to the renewal of the insurance policy. Third party risk is included within the cover, with current liability set at £10m.</p> <p>The amount is reviewed annually to ensure insurance cover is sufficient for the Parish Council's needs.</p> <p>The Parish Council maintains insurance cover in all areas. The play equipment is inspected and annually by an External ROSPA Inspector.</p> <p>All Council members, employees and/or volunteers 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.</p>	<p>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.</p>
Physical Assets	<p>Loss or damage</p> <p>Risk/damage to third party property</p>	<p>M</p> <p>L</p>	<p>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.</p>	<p>The Asset Register is updated when necessary with a full review conducted annually.</p>
Financial Assets	<p>Land Rent not paid or rent income received</p> <p>Adequacy of Reserves</p>	<p>L</p> <p>L</p>	<p>The Clerk/RFO is to ensure that all rent income and expenditure, is paid in a timely manner and recorded within the budget.</p> <p>Considered by Council annually at budget setting in November/December and minuted.</p>	<p>All rent payments and income are reviewed annually.</p> <p>Reviewed annually.</p>