

Michelmersh & Timsbury Parish Council Financial Risk Assessment

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 Michelmersh & Timsbury 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	Inadequacy 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 maps out 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 requested from Test Valley Borough Council. The figure is submitted by the Clerk in writing. The Clerk informs the Council when the monies are received.	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
	Inadequate checks	L	The Council has Financial Regulations which set out	Existing procedure adequate

Bank and banking	Banks mistakes	L	banking requirements Monthly reconciliation	Existing procedure adequate
Reporting and auditing	Lack of information and/or clear communication	L	Financial information is a regular agenda item (Finance Report) and discussed/reviewed and approved at each meeting.	Existing procedures adequate.
Grants	Failure to document receipt of grant	L	Parish Council does not presently receive any regular grants.	Procedure would be formed, if required
Charges-rents receivable	Failure to declare payment of rents	L	The Parish Council collects a Jubilee Hall annual rent in March each year. The Jubilee Hall has a lease with the Parish Council. The annual rent is not currently subject to an annual increase..	Existing procedure adequate
Grants and support payable	Failure to authorise power to pay	L	All such expenditure goes through the required Council process of approval, minuted and listed accordingly if a payment is made using S137 powers of expenditure.	Existing procedure adequate.
Best value accountability	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 to be undertaken (ie.in excess of £1000). 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. Include when reviewing Financial regulations.
Salaries and assoc. costs	Salary paid incorrectly. Unpaid Tax to	L	Currently the only salary is for the Clerk which is paid on a monthly basis. The Clerk operates a REALTIME HMRC PAYE system to ensure the Council is	PAYE system requirement to be included when reviewing the Financial regulations

	Inland Revenue.	L	complying with the current regulations.	
Employees	Fraud by staff	L	Requirements of Fidelity Guarantee insurance adhered to with regards to fraud.	Existing procedures adequate. Review insurance annually.
	Inadequate Health and safety checks	L	All employees to be provided adequate direction and safety equipment needed to undertake their roles	
VAT	Failure to Reclaim/charge	L	The Council has Financial Regulations which set out the requirements.	Existing procedures adequate
Annual Return	Failure to submit within time limits	L	Annual Return completed and signed by the Council, submitted to internal auditor for completion and signing then checked and sent to External Auditor within time frame.	Existing procedures adequate.
Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved at full Council Meetings, including reference to the power used under the Finance section of agenda and Finance report monthly.	Existing procedures adequate
Minutes/agendas/ Notices Statutory Documents`	Inaccuracy and legality	L	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements.	Existing procedures adequate. Members adhere to Code of Conduct
	Business conduct	L	Minutes are approved and signed at the next Council meeting. Final approved Minutes are published on the Parish Council website. Draft minutes are available to parishioners upon request to the Clerk. Agenda displayed according to legal requirements. Business conducted at Council meetings should be managed by the Chair	
Members interests	Conflict of interests Register of members interests	L M	Declarations of Interest by members at Council meetings. Register of Members Interests forms reviewed regularly.	Existing procedures adequate. 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. Fidelity checks in place.	Existing procedure adequate. Insurance reviewed annually.
Data protection	Failure to implement Policy provision	L	The Parish Council is registered with the Data Protection Agency	Ensure annual renewal of registration
Freedom of Information	Failure to implement Policy provision	L M	The Council has a Model Publication scheme in place. To date there has been no requests under FOI. The Parish Council is aware that if a substantial request came in it could create a number of additional hours work. The Parish Council can request a fee to supplement the extra hours. Therefore, the Parish Council will publish on the website the majority of items it considers potential FOI subject requests.	Monitor any requests made under FOI
PHYSICAL EQUIPMENT OR AREAS				
Assets	Loss or damage Risk/damage to third party (ies) property	L L	An annual review of assets is undertaken for insurance provision and any maintenance duly undertaken.	Existing procedures adequate
Maintenance	Poor performance of assets or amenities	L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for any repair is actioned/authorised in accordance with the correct procedures of the Parish Council. Assets are insured.	Existing procedures adequate

Notice Boards	Risk of damage	L	The Parish Council currently has two noticeboards. No formal inspection procedures are in place but any reports of damage or faults are reported to the Parish Council and dealt with in accordance of the correct procedures of the Council.	Existing procedures adequate
Playground	Risk of damage Risk of personal injury	M M	The Parish Council conducts weekly checks of the area for general maintenance. This is done on a Councillor rota. Any issues will be emailed to the Clerk for action. Quarterly playground inspections are conducted by TVBC. A yearly ROSPA inspection is also conducted.	Existing procedures adequate
Meeting locations	Inadequacy with regards to Health & Safety	L M	The Parish Council meeting is held in a venue considered to have appropriate facilities for the Clerk, members and the general public.	Existing procedures adequate
Council records – paper	Loss through: Theft Fire damage	L M L	The Parish Council records are stored at the home of the Clerk. Records include historical correspondences, minutes, insurance, bank records. The documents are stored in a lockable cabinet within a study..	Damage (apart from fire) and theft is unlikely and so provision is adequate.
Council records – electronic	Loss through: Theft, fire damage or corruption of computer	L M	The Parish Council electronic records are stored on a remote hard drive and copied to a memory stick every three months. The hardware is held with the Clerk at her home.	Existing procedures considered adequate, although investigations to ‘Cloud’ storage are currently being undertaken.