

Combs Parish Council

Risk Assessment and Financial Management for the period 1 April 2023 – 31 March 2024

| Topic | | Risk Identified | Risk Level H/M/L | Management of Risk | Staff Action |
|-------|-----------------|--------------------------------------|---------------------|--|------------------|
| 1. | Precept | Not submitted | L | Full minute – The Clerk/RFO notes the submission date and informs the Parish Councillors | Diary |
| | | Not paid by DC | L | Confirm receipt. An email confirming BACS payment is received from MSDC that confirms when the payment will be/has been made. | Diary |
| | | Adequacy of precept | H | Quarterly review of budget to actual. Budgets are set ahead of deciding what level of precept to request and appears as agenda items. The clerk updates the Parish Council meeting on budget to actual. The clerk ratifies the bank statement with payments made and receipts received. | Diary |
| 2. | Cemetery | Payment | M | Cheque fees for burials/memorials checked against fee schedule for burials/memorials, clerk updates receipt on the finance spreadsheet and adds as a receipt to the agenda which is reported to the Parish Council at each meeting | Member to verify |
| | | Administration | M | Clerk updates burial records each time they are notified of a new burial/memorial | Member to verify |
| 3. | Grants District | Claims Procedure | M | The clerk always follows the correct procedure for grant applications and all receipts are recorded in the agenda and minutes at the Parish Council Meetings | Diary |
| | | Receipt of grant when due | M | | |
| 4. | Salaries | Wrong salary/hours/rate paid | M | The clerk is the only employee at Combs Parish Council and is paid his/her monthly set salary for 5 hours a week directly by standing order. The clerk is responsible for calculating (through the HM Revenue & Customs PAYE tools) their own salary/overtime/expenses/tax which has a preliminary check by a designated councillor and then by the parish council | Member to verify |
| | | Wrong deductions – NI and Income Tax | M | | Member to verify |

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| | | | | prior to payment and signed off at the Parish Council Meetings. The clerk is not self-employed. | |
| 5. | Direct Costs and overhead expenses | Goods not supplied to Council | M | The clerk checks all invoices and delivery notes before submitting for payment and only pays for items that have been received, unless payments are required in advance e.g. pro-forma invoice which has been previously agreed at a Parish Council Meeting. All purchased items are added to the asset register which is checked annually. | Approval check |
| | | Invoice incorrectly calculated or recorded | L | Arithmetic is checked on invoices and bank reconciliations are performed on a monthly basis when the monthly bank statement is received. | Member to verify |
| | | Cheque payable is excessive or to wrong party | M | Payments are only made to the person/company named on the invoice. All invoices are considered for payment at a Parish Council meeting. Cheques are signed by two signatories, stubs and invoices initialled and dated and recorded in the payments and receipts ledger. | Approval check |
| 6. | Grants & Support | No power to pay or no evidence of agreement of Council to pay | M | The power to pay is always checked before payments is made. All grants are considered at a full Parish Council Meeting and conditions agreed if appropriate e.g. requests for further information for clarity. All payments are agreed and cheques written and signed during each Parish Council Meeting. The clerk updates financial records accordingly. | Member verify |
| | | Conditions agreed | L | | RFO Check |
| 7. | Election Costs | Invoice at agreed rate | L | The clerk notes estimated election costs during an election year and budgets appropriately. The Parish Council ensure there are sufficient funds in the reserve account. | RFO verify |
| 8. | VAT | VAT Analysis | M | The clerk keeps a register of all VAT paid | RFO verify |
| | | Charged on sales | M | The council is not VAT registered as they do not conduct sales | RFO verify |
| | | Charged on purchases | L | All VAT invoices are filed accordingly and VAT paid recorded accordingly for VAT claim to be carried out. | RFO verify |
| | | Claimed within time limits | M | Clerk submits VAT reclaims within time limit in accordance with HM Revenue & Customs regulations. | RFO verify |

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| 9. | Reserves - General | Adequacy | L | The reserve account is monitored at each Parish Council Meeting and considered at the annual budget meeting. Clerk keeps a financial record of all transactions and receives a monthly bank statement. | RFO opinion/member view, 3 year plan |
| | Reserves - Earmarked | Adequacy | L | The earmarked reserves are considered at the annual budget setting, regularly at the parish council meetings and when the annual account review is carried out. | RFO opinion/member view |
| | Reserves - Earmarked | Unidentified Earmarked or Contingent liability | L | This is reviewed as necessary throughout the year and minuted as appropriate | RFO/member view |
| 10. | Assets | Loss, Damage etc. | M | Assets are reviewed annually – an annual inspection is carried out on assets and insurance and asset registers are updated | Diary |
| | | Risk or damage to third party property or individuals | M | The adequacy of the parish council's public liability insurance is reviewed annually. | Diary |
| 11. | Staff | Loss of key personnel (clerk) | L | The clerk is the only employee. Communications are good which ensures that stress is minimal and training is provided when needed. Hours, health, stress, training, long term sick, early departure – risk is monitored and managed as appropriate. | RFO/member view |
| | | Fraud by staff | L | Fidelity Guarantee value appropriately set | Council to review annually |
| 12. | Loss | Consequential loss due to critical damage or third party performance | L | Insurance cover is reviewed and renewed annually. | Diary |
| 13. | Cash | Cash handling | L | No cash is kept by the parish council – all financial transactions are processed with cheques. Regular bank reconciliations are carried out within an excel spreadsheet and statements checked. Bank balances and a financial spreadsheet are circulated via email to Combs Parish Council prior to parish council meetings and bank balances are also included in the minutes of the meeting. | Annual review of controls and member to verify reconciliations taking place. |
| | | Cash banking | L | | |

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| 14. | Legal Powers | Illegal activity or payment | H | Parish Councillors attend training when relevant. The clerk has received clerk's training but needs to be aware of changes. The clerk regularly researches or asks SALC for advice on Parish Council powers. | Diary |
| 15. | Financial Records | Inadequate records | L | The clerk keeps account records which are updated before and after each Parish Council Meeting and on receipt of the monthly bank statement. Accounts are inspected by Internal and External Auditors annually and records are always available. | Diary |
| 16. | Minutes | Accurate and legal | L | Minutes are always reviewed and approved at the following Parish Council Meeting to which they refer. Approval of minutes are a permanent agenda item. | Diary |
| 17. | Members Interests | Conflict of interest | M | These are reviewed at the Annual Parish Council Meeting and members are asked for their declaration of interests at each Parish Council Meeting and these are documented/minuted and any conflict is addressed appropriately. | Diary |
| 18. | Maintenance | Poor performance of assets or amenities loss of interest or performance | M | Annual maintenance inspection and review. | Diary |

Approved at the Parish Council meeting 9 May 2023

Signed:Chairman

Date:

(signed document is with Parish Clerk)