

Hemington, Luddington and Thurning Parish Council - Financial and Management Risk Assessment

This document has been produced to enable Hemington, Luddington and Thurning Parish Council to assess the financial and management risks that it faces and to satisfy itself that it has taken adequate steps to minimise them.

| Risk No. | Subject | Risk(s) Identified (Description) | Risk Assessment | Mitigation / Control of Risk | Review / Assess / Revise |
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| 001 | Precept | Adequacy of precept requirements. | Low | The budget is monitored on a bi-monthly basis by the Responsible Finance Officer (RFO). | Annually by Full Council |
| 002 | | Ensure there are adequate funds for the forthcoming year. | Low | The Parish Clerk submits the draft precept figure to council annually in January. North Northamptonshire Council are notified in January. | Annually |
| 003 | | Accuracy of precept submitted to PC. | Low | The precept will be for a fixed sum of money and will only be finally determined by the full Council when all relevant facts are known to the Council. | By resolution of the Full Council |
| 004 | Financial Records | Inadequate records. | Low | The Council has Financial Regulations that set out the requirements. | Existing procedure is adequate |
| 005 | | Financial irregularities. | Low | The Council has Financial Regulations that set out the requirements. A transaction report is presented to each Council meeting. | Review Financial Regulations annually. |
| 006 | Bank & Banking | Inadequate Checks. | Low | The Council has Financial Regulations that set out the requirements for banking, cheques and the reconciliation of accounts in a simple framework. The bank reconciliation is checked at least four times annually by a nominated Councillor. | Existing procedures are adequate. |

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| 007 | | Bank errors | Low | If the Bank does make an error when processing cheques and cash these are found when the bank accounts are reconciled on a monthly basis, any error is immediately reported to the bank and corrected by them. | Review Financial Regulations annually and the bank signatory list when necessary, especially after the AGM and an election. |
| 008 | | Loss. | Low | Losses would result from a bank error and these would be immediately reported to the bank. Possible losses from unauthorised access to the Council bank accounts are minimal as security codes used to access the accounts to which only the Parish Clerk, and nominated Councillors have access. | Monitor Bank Statements quarterly. |
| 009 | Cash | Loss through theft or dishonesty | Low | Cash and cheques are banked within 5 working days. Insurance cover is provided for infidelity. | Existing procedures are adequate. Review the Financial Regulations annually. |
| 010 | Reporting & Auditing | Information and communication | Low | The accounts are open to public examination each year as required by the Accounting and Audit Regulations. Interim financial reports to the Council are published on the Council's website. | Existing communication procedures adequate. |
| 011 | | Compliance | Low | The Annual Report is published on the Council's web-site. Auditing takes place on an annual basis. | The Council appoints an Internal Auditor each year to scrutinise the accounts. Further reassurance is provided by External Auditors if requested by the public. |

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| | Direct Costs. Overhead Expenses. Debts. | | | | Existing procedure adequate. Review the Financial Regulations annually. |
| 012 | | Incorrect invoicing. | Low | Prior to each meeting the invoices are checked by the RFO/Clerk. Each meeting agenda is circulated to Councillors prior to the meeting detailing approvals for payment and any Councillor can query an item with the Clerk. | |
| 013 | | Cheques and electronic payments | Low | Authorised and signed by the Clerk and one councillor on council's bank mandate. | |
| 014 | Grants – Receivable | Receipt of Grants/commuted sums. | Low | One off grants or commuted sums come with terms and conditions .as agreed by council. | Existing procedure adequate. |

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| 015 | Best Value / Accountability | Work awarded incorrectly. | Low | The Council has financial regulations that set out the requirements for the awarding of contracts. All contract awards are made by full council. | Existing procedure adequate. |
| 016 | | Overspend on services. | Low | The Council has financial regulations that set out the requirements for the awarding of contracts. All contract awards are made by full council. | Existing procedure adequate. |
| 017 | Salaries and Associated Costs | Salary | Low | The Council authorises the appointment of all employees. Salary rates are based on the National Joint Council (NJC) for Local Government Services Pay Scales. Payroll is administered by a third party as advised by Northamptonshire County Association of Local Councils (NCALC). | Existing appointment system adequate |
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| 018 | | Salary | Low | Payroll summary prepared by payroll provider, checked and paid by council | Existing procedure adequate. |

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| 019 | Employees | Loss of key personnel. | Low | The Parish Council can appoint a temporary Clerk to provide resilience in the event of the loss of the Parish Clerk. | To be evaluated and progressed. |
| 020 | | Fraud by staff. | Low | Financial risks are low as only minimal amounts of cash are held. Insurance for Fidelity is maintained. | Existing procedure adequate |
| 021 | | Actions undertaken by staff. | Low | Parish Council staff are provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. | Existing procedure adequate. |
| 022 | | Health and safety. | Low | All employees are provided with adequate direction and safety equipment needed to undertake the roles, i.e. protective clothing and training. | Health and Safety policy and guidelines will be reviewed annually. Appropriate training will be given where necessary. |
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| 023 | Election Costs | Risk to budget from an unforeseen election cost. | Low | The risk is higher in an election year. The Parish Clerk obtains an estimate of costs from the unitary Council for a full election and an uncontested election. And maintains a designated reserve to ensure funds will be available, | The Parish Council to ensures that sufficient budget allocation to cover by-election costs. |
| 024 | VAT. | Reclaiming / charging | Low | VAT is reclaimed at least on an annual basis from HMRC and repaid by BACS. | Existing procedure adequate |

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| 025 | Annual Returns | Submit within time limits | Low | The Financial Annual Return is completed by the Internal Auditor and the Parish Clerk, approved by the Council and submitted to the External Auditor if required within the prescribed time limit. The May meeting of the Council is used for the approvals, or an Extraordinary meeting is called. | Existing procedure adequate |
| 026 | Legal Powers | Illegal activity or payments. | Low | All activity and payments within the powers of the Council are resolved and minuted at meetings. Guidance and advice is provided to the meeting by the RFO. | Existing procedure adequate |
| 027 | Agendas / Minutes / Notices / Statutory Documents | Accuracy and legality of Agendas/ Minutes /Notices/Statutory Documents. | Low | Agendas and minutes are produced in the prescribed method by the Parish Clerk and adhere to the legal requirements. Agendas are displayed and minutes are available in accordance with the legal requirements. Minutes are approved and signed at the following Council meeting. | Existing procedure adequate - guidance / training given to Chairman where required. |
| 028 | | Business Conduct | Low | Business conducted at Council meetings is managed by the Chairman. | Members adhere to the Council Code of Conduct contained within the Standing Orders. |

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| 029 | Members Interests | Conflict of Interest | Low | Members declare pecuniary interests at the meeting when the item "Declarations" is reached and when an item is discussed and it becomes apparent they have an interest. | Existing procedure adequate. |
| 030 | | Register of Member Interests | Low | The Register of Members Interest is updated by Councillors when their circumstances change and is reviewed annually. All Registers are published on the Parish Council website. The process mirrors that driven by North Northamptonshire Council. | Councillors to take responsibility to update their entry in the Register. |
| 031 | Insurance | Adequacy | Low | An annual review is undertaken prior to the renewal date of all insurance arrangements in place. | Existing procedure adequate. Review insurance provision annually. |
| 032 | | Cost | Low | | |
| 033 | | Compliance | Low | A three-year agreement for insurance is normally agreed to ensure best value for money. | |
| 034 | | Fidelity Guarantee | Low | | |
| 035 | Data Protection | Policy Provision | Low | Registered with the Information Commissioner. The Data Protection Officer role is contracted out to NCALC. | |
| 035 | Freedom of Information Act | Policy Provision | Low | The Parish Council conforms with the Freedom of Information Act and will respond to individual requests in accordance with it. The Parish Council will adopt the model publication scheme and post this on the Parish Council website, available free of charge to all members of the public. | Existing procedure adequate. |
| 036 | Assets | Loss or damage Risk/damage to third party(parties)/property | Low | An annual review of assets is undertaken for insurance purposes. | Existing procedure adequate. |
| 037 | Maintenance | Poor performance of assets or amenities. | Low | All assets owned by the Parish Council are regularly reviewed and maintained. | Existing procedure adequate. |
| 038 | | Loss of income or performance. Risk to third parties. | Low | All repairs and relevant expenditure are actioned/authorised in accordance with the correct procedures of the Council. All assets are insured and reviewed annually. All public amenity land is inspected regularly by Council employees. | Existing procedure adequate. |

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| 039 | Street Furniture | Risk/damage/injury to third parties. | Low | The Parish Council owns notice boards, telephone boxes and benches. Everything is covered by the Parish Council's insurance policy. Regular visual inspections take place and repairs/replacement undertaken as necessary. | Existing procedure adequate. |
| 040 | Parish Council Records paper | Loss through fire, theft or damage | | The Parish Council has adopted a records management policy which sets out retention and destruction periods for all Parish Council records. Key documents are published on the Council's website which is hosted (and backed-up) by a third party Vision ICT. | Existing procedure adequate |
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| 041 | Parish Council Records electronic | Loss through fire, theft, damage, computer failure, hacking, virus infiltration. | Low | Key documents are published on the Council's website which is hosted (and backed-up) by a third party Vision ICT. A large amount of data including accounts and minutes are stored on the Clerk's laptop. A back up regime is in place: Anti-virus software is installed and the system updated as required. | Existing procedure adequate. |
| 042 | Highway Trees | Public Safety should a tree become unsafe | Low | Most trees are the responsibility of the Highways Authority of NNC. Ad hoc inspections are carried out for other trees. | To be evaluated and progressed |

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| 045 | Roadways | Pavements, roads, fences, Overhanging trees | Medium | <p>North Northamptonshire Council Highways department is responsible for maintaining pavements and roads.</p> <p>Dangerous overhanging trees from private property Responsibility of the land owner as with fences. Responsibility of the fences on the 'Tin Bridge' currently in dispute as to establish ownership.</p> | <p>Parish Council to report problems to Rutland County Council.</p> <p>Parish Council to establish ownership of the Tin Bridge fences.</p> |
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Adopted May 2023
Updated March 2024
Next Review due March 2025