

Lawford Parish Council



LAWFORD PARISH COUNCIL ANNUAL RISK ASSESSMENT & MANAGEMENT SCHEME

Financial and Management

Subject	Risk Identified	H/M/L	Management / Control of Risk	Review/Assess/Revise
Business Continuity	Risk of council not being able to continue its business due to an unexpected tragic circumstance	M	<p>In the event of the loss or long-term incapacity of the Clerk or Councillors and to negate the effect of loss or theft of records.</p> <p>The records are stored in a locked filing cabinet at the Council Offices and on the computer in a locked office. The Ogilvie Hall Caretaker has access to the office.</p> <p>Essex Association of Local Councils (EALC) can provide temporary personnel to cover for the Clerk if needed. Clerks local to the area can also be called to see if they can help.</p> <p>The website is kept up to date with relevant records including minutes and policy document.</p>	Review when necessary.
Precept	Ensuring the precept is adequate	L	Sound budgeting and forward planning underlie and inform the precept setting process. Next year budget and precept calculation is considered by the Administration meeting in October/November. The budget and precept calculation is then considered by the Full Council in November / December taking into account progress against budgets from the previous year and expected inflationary increases for the coming year.	Going forward the Administration Meeting (which meets 3 times per year) will include an item on its agenda called Review of the Budget including review of income/expenditure and future income/expenditure.

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	Ensuring requirements submitted to Tendring District Council	L	With this information and consideration of finance required for any new projects, the precept amount is to be agreed and communicated by the Clerk in writing to Tendring District Council.	Existing procedure adequate
	Ensuring precept received	L	The Council is advised by the Clerk when the Precept is received usually in April and October	Existing procedure adequate
Financial Records	Inadequate records	L	The records are kept up to date by the Clerk with regular updates provided to Council meetings monthly in the form of expenditure / bank reconciliation statements. A councillor can carry out a check of expenditure, bank reconciliations and individual payments and receipts, which are stored in paper copy and PC software.	Procedures set out in the Council's Financial Regulations and reviewed annually.
	Financial irregularities	L	The Council has purchased a bespoke parish council accounting software package to ensure all financial records are kept up to date and in order. The Council has its own on-line banking audit procedures and financial regulations which set out the requirement and these must be reviewed annually.	As above
Bank and Banking	Lack of regular reconciliation	L	The Council has financial regulations which set out the requirement and these must be reviewed annually – reconciliation statements must be reviewed at least quarterly and are subject to a check by a named councillor.	Procedures set out in the Council's Financial Regulations and reviewed annually.
	Loss through theft or dishonesty	L	All payments require two signatories from nominated signatories and payments are usually only authorised at monthly meetings on sight of	Procedures set out in the Council's Financial

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			invoices which are examined and signed by signatories. The Council's Financial Regulations set out procedures for necessary payments outside of meetings. Most payments are carried out using online banking requiring two signatories. Whereas payments by cheques are rare, such payments MUST record cheque numbers authorised and who has signed the cheques confirming that everything is signed in accordance with bank mandates.	Regulations and reviewed annually.
	Inadequate checks/bank errors	L	Bank statements are received and reconciled by the Clerk monthly and any queries raised with bank immediately and reported to the Council at meetings.	Procedures set out in the Council's Financial Regulations and reviewed annually. Insurance provision is reviewed annually.
Cash	Loss through theft or dishonesty	L L	No petty cash held. There is no regular cash income, but any cash received would be dealt with in accordance with the Council's Financial Regulations which are reviewed and updated annually.	Existing procedure adequate
Costs/expenses/debts	Goods not supplied but billed	L	Financial regulations set out requirements.	Procedures set out in the Council's Financial Regulations and reviewed annually. Insurance provision is reviewed annually.
	Incorrect invoicing	L	The Clerk checks all invoices are held and councillors' signatories authorising payments ensure that they have had sight of the relevant invoice, that it is properly addressed to the Council	As above

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			and relates to goods and / or services provided to the parish council.	
	Cheques payable completed incorrectly	L	Invoices must be checked in the first instance for validity and accuracy by the Clerk and at each council meeting a list of invoices for payment is circulated and approved by Full Council. Cheque signatories must check invoices, cheques and cheque book stubs for discrepancies.	As above
	Unpaid invoices (issues by the Council)	L	The Council does not supply regular services to anyone and financial regulations are reviewed regularly to deal with such matters.	Existing procedures adequate.
Payment for major works/projects	Works awarded incorrectly	L	Financial Regulations set out requirements and if three quotations not available then reasons for this are recorded in minutes, together with evidence of how Best Value is being measured.	Procedures set out in the Council's Financial Regulations and reviewed annually.
Best Value Accountability	Overspend on agreed projects	L	Financial management of projects should normally be undertaken by the Clerk and underspends / overspends reported to the council accordingly. Overspends are properly managed and authorised in accordance with financial regulations.	As above
Salaries and associated costs	Salary paid incorrectly	L	Salary rates must be reviewed at least annually and any changes implemented fully and recorded in minutes.	The council uses payroll services and pay slips can be viewed by the Council at monthly meetings.
	Wrong hours or rate paid	L	Payments in respect of salaries are checked against monthly salary slip showing gross payment tax/NI paid and net payment due.	Existing procedures adequate.
	Wrong deductions of NI and tax		PAYE payments due to Inland Revenue are paid quarterly for the full and correct amount of PAYE due including tax collected and employer / employee NI contributions	Existing procedures adequate.

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	Unpaid tax or NI contributions to Inland Revenue	L	Monthly returns submitted electronically to Inland Revenue, reported to Council and checked for accuracy by Internal Auditor.	Existing procedures adequate.
Employees	Loss of key personnel	L	See Annual Risk Assessment section Business Continuity. Notice period built into contract.	
	Fraud by staff	L	See Annual Risk Assessment section Bank and Banking.	
	Actions undertaken by staff	L	Clerk has CiLCA qualification and other training courses	
	Health and Safety	L	Indemnity insurance held for staff and volunteer councillors	Insurance provision reviewed annually
			Training budget has been put in place for relevant training and access to legal advice and assistance facilitated by membership of SLCC and EALC.	Council to ensure membership of relevant bodies is kept up to date. Councillors are to be aware of shortfalls in their own knowledge and take responsibility for their own training needs.
			Employee liability insurance is up to date	Insurance provision reviewed annually
	Contract of Employment	L	NALC recommended contract of employment is in place for Clerk	Annual review of salary is diarised.
VAT	Reclaiming	L	VAT due recorded on computerised accounting system and reclaimed amounts are reported to the Council and checked by Internal Auditor quarterly and annually for accuracy and to confirm reclaim received.	Council Clerk to ensure that all VAT repayable is claimed quarterly.
Annual Returns	Ensuring submission within time limits	L	The Clerk and Council are aware of time limits for both Inland Revenue and External Auditor returns and these MUST BE submitted annually within	Existing procedures adequate.

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			deadlines set. Clerk and councillors are mindful of relevant deadlines and year end accounts must be produced as soon as possible after the year end (31 st March) with internal auditor appointed BY THE COUNCIL, to undertake relevant checks and provide a full report which MUST be made available to all councillors.	
Legal Powers / Grant Funding s137	Illegal activity or payments by the Council	L	All payments MUST be approved by the Council and reference to the relevant spending power clearly recorded in the minutes.	Existing procedures adequate
Minutes/agendas	Accuracy/Legality	L	Clerk is fully trained to produce minutes and agendas in the prescribed format which adhere to legal requirements	Existing procedures adequate
			The Clerk ensures that a formal 'minutes book' is maintained and that all minutes are signed and recorded in the book.	As above
			Minutes are approved and signed by the Chair at the next available council meeting.	As above
			Agendas are circulated to councillors and displayed on the noticeboards in accordance with legal requirements	As above
			Business at meetings conducted in accordance with agenda and standing orders which are reviewed annually.	Standing Orders reviewed annually.
GDPR	Storing information / risk of data breaches	L	Council has in place Data Protection Policy with actions taken to protect personal data.	Councillors to be reminded to review their own electronic and paper files including emails to ensure no unnecessary data stored on personal hard drives or at home in paper format.

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				Data Protection policy reviewed annually.
Members interests	Conflict of interests	L	All councillors are reminded of their responsibilities	Existing procedures adequate
	Register of members' interests	L	A specific agenda item at each meeting prompts councillors to declare any personal or prejudicial interests	Existing procedures adequate
			All members review and update their registers at least annually	This is an agenda at annual meeting
Insurance	Adequacy /cost	L	Annual review of insurance undertaken to ensure all risks/assets adequately covered and annual insurance premiums reasonable	Insurance provision reviewed annually
Election costs	Unbudgeted cost	L	Potential election costs are taken into account in the budget setting process every year	Existing procedures adequate
Freedom of Information Act	Policy provision	L	Council has in place a Freedom of Information Policy which outlines its responsibilities under this act.	Existing procedures adequate.
Cloud Storage	Loss of Council electronic data due to fire, flood, breakdown, theft, cloud storage failure, denial of service (DOS) attack, internet outage and GDPR breaches.	M	Key documents are scanned or photocopied into shared drive. Files are regularly backed up onto hard drive.	Existing procedures adequate.

Physical Equipment or Areas

Subject	Risk Identified	H/M/L	Management / Control of Risk	Review/Assess/Revise
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Assets Maintenance / Damage	Loss or damage	L	Adequate insurance is in place and reviewed annually and an up-to-date register of assets is maintained which is reviewed annually.	Existing procedures adequate
Play Equipment/Play Areas/Car Park	Risk or damage to third party property or individuals	L	Regular checks of play equipment and an annual inspection undertaken. Annual play inspections are undertaken by an independent qualified contractor.	Playground checks by handyman every fortnight. Delegated power issued to Chair and Clerk to request repairs up to £1000 outside full council meetings if necessary and if considerable Health & Safety concern delegated power issues to Clerk to request repairs up to £2,000 outside Full Council meetings.
			Council contractors have valid public liability insurance. Clerk/Council is to ensure that all contractors have up to date Public Liability Insurance.	Existing procedures adequate.
Trees	Risk of damage to third party property or individuals	M	Annual inspection of all trees carried out by contractor. Ad hoc inspections by Qualified Councillor and handyman.	Existing procedures adequate.
Streetlights	Risk of damage to third party property or individuals	M	Annual inspection of all streetlights carried out by independent qualified streetlight contractor.	Existing procedures adequate.
Meeting location	Adequacy Health and Safety	L	Monthly meetings are currently held at Ogilvie Hall and any Health & Safety concerns reported to the caretaker for action. All facilities are adequate for purpose.	Existing procedures adequate.

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Risk Schedule

<u>Item</u>	<u>Frequency</u>	<u>Last review</u>	<u>Comments/actions</u>
Assets inspection: Play equipment	Fortnightly Visual (handyman), Annually by contractor Ad hoc by responsible councillor in mapped area going forward	Every fortnight by Clerk	Records kept in Filing cabinet and computer.
Streetlights	Annually (contractor)	June (A&J)	As above
Trees	Annually (landscaper and councillor)	Autumn	As above
Parish Council Insurance: <ul style="list-style-type: none"> • Public Liability • Employers' Liability • Personal Accident • Public and products liability • Fixed Assets • Officials and trustees' indemnity • Commercial legal protection • Crisis containment • Property - Terrorism 	All insurance reviewed annually by Full Council before renewal	June	Action at May meeting in time for June renewal. June 2023 renewal was for three years so next renewal preparation will take place in May 2026
Financial matters: <ul style="list-style-type: none"> • Banking arrangements • Insurance providers • VAT returns • Budget agreed • Precept requested 	<ul style="list-style-type: none"> • Annually if change of signatories • Annually by LPC • Quarterly by Clerk • November (FC), December (LPC) • January by Clerk 	<ul style="list-style-type: none"> • May going forward • May • June/Sep/Dec/Mar • December • January 	Ensure banking arrangements reviewed annually going forward otherwise existing procedures adequate.

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<ul style="list-style-type: none"> • Bank reconciliation • Salary review 	<ul style="list-style-type: none"> • Monthly by Clerk • Annually within budget review or following NALC guidelines 	<ul style="list-style-type: none"> • Monthly • Dec/Apr 	
<ul style="list-style-type: none"> • Internal audit • External audit • Internal controls • Financial regulations 	<ul style="list-style-type: none"> • Quarterly by internal auditor • Annually by PKF Littlejohn • Annually by LPC • Annually by LPC 	<ul style="list-style-type: none"> • May • July • November • May 	
<p>Administration:</p> <ul style="list-style-type: none"> • Minutes properly numbered • Asset register available and up-to-date • Standing Orders reviewed • Computer back-up 	<ul style="list-style-type: none"> • Checked by Clerk • Checked by Clerk and Councillor • Annually by LPC • Regularly by Clerk 	<ul style="list-style-type: none"> • May • May • May • Monthly 	Existing procedures adequate
<p>Employer's responsibilities:</p> <ul style="list-style-type: none"> • Employment contract • Staff appraisals • Training & development • Contractor's Public Liability insurance • Health & Safety Policy Procedure 	<ul style="list-style-type: none"> • As soon as possible after start • Annually • Budgeted and recorded • Mandatory for commission • In place 	<ul style="list-style-type: none"> • October • On-going • Last commission • September 	Existing procedures adequate
<p>Member's responsibilities:</p> <ul style="list-style-type: none"> • Code of Conduct adopted • Register of Pecuniary Interests completed/up-to-date • Declarations of Interest minuted 	<ul style="list-style-type: none"> • Annual review by LPC • Annual review by individual councillors • Agenda item at every meeting of Full Council or Committee 	<ul style="list-style-type: none"> • May • October • On-going 	Agenda item to go on annual meeting agenda to remind councillors to check their DPI forms

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SIGNED:

CLERK

B. Tighe

DATE 19 March 2024

Policy Implementation Notice

This is the policy statement of: **Lawford Parish Council**

The overall and final responsibility for this policy is that of: **Parish Councillors**

Approved by **Full Council** on 18 March 2024

Day-to-day responsibility for ensuring this policy is put into practice is delegated to: **The Parish Clerk**

Policy review date: March 2025