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**AUSTWICK PARISH COUNCIL**

**RISK ASSESSMENT and MANAGEMENT**

In accordance with Section 17 of Austwick Parish Council Financial Regulations adopted on Monday 3<sup>rd</sup> September 2018, the Council will assess the risks it faces associated with the activities and services of the Parish Council and identify actions necessary to address these risks. This risk assessment and management document will be reviewed periodically and in particular if any circumstances change and in any event not less than once a year.

<b>Subject</b>	<b>Risks identified</b>	<b>Management/Control of Risk</b>	<b>Review/Revise/Assess</b>
Financial	Handling cash	The council does not handle cash	N/A
	Exceeding limits for payments under LGA1972, S137	Separate column in cash book which totals automatically	Existing procedures adequate
	Fraud or embezzlement	Precautions taken:- <ul style="list-style-type: none"> <li>• No petty cash held</li> <li>• Internal auditor appointed and audit carried out each year</li> <li>• Two councillors signatures required on cheques</li> <li>• All payments authorised at Parish Council meeting</li> <li>• Robust Financial Regulations</li> </ul>	Existing procedures adequate
Bank and banking	<ul style="list-style-type: none"> <li>• Inadequate checks</li> <li>• Bank mistakes</li> <li>• Loss</li> <li>• Charges</li> </ul>	<ul style="list-style-type: none"> <li>• The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation.</li> <li>• Cash flow is monitored by the Clerk to ensure adequate funds to cover outlay are available in the current account.</li> </ul>	Existing procedures adequate
Salaries and associated costs	<ul style="list-style-type: none"> <li>• Over or under payment of Clerk's salary</li> <li>• Incorrect deductions of Tax and NI</li> <li>• Tax and NI not paid to HMRC</li> </ul>	<ul style="list-style-type: none"> <li>• Clerk's salary is approved by the council at Parish Council meeting. PAYE in Real Time is suspended by the Clerk and Self Assessment is the employee's sole responsibility.</li> </ul>	Existing procedures adequate
VAT	Failure to record and/or reclaim VAT	<ul style="list-style-type: none"> <li>• VAT claims prepared from computer based information with separate VAT column.</li> </ul>	Existing procedures adequate

Clerk/RFO	Death/illness or absence of Clerk/RFO	<ul style="list-style-type: none"> <li>Files and records labelled and system easy to follow</li> <li>Financial and critical information held in labelled ring binders</li> <li>Electronic back up of computer information taken weekly.</li> </ul>	Existing procedures adequate
Assets	Loss or damage risk/damage to third party(ies) property	<ul style="list-style-type: none"> <li>An annual condition survey of assets is undertaken for purposes of insurance and maintenance provision.</li> <li>Annual review of Public Liability insurance</li> </ul>	Existing procedures adequate
Council Records - paper	Loss through theft/fire/damage	Records are stored at the home of the Clerk including correspondence, minute books, insurance, financial records, maps, asset register etc and are held in archive boxes	Clerk to sort paper files and retain only essential records
Council Records - electronic	Loss through theft/fire/damage/computer problems	Records are held on the council's computer. Weekly back-ups are made to an external hard drive.	Back-up to be stored in separate location to computer.
Freedom of Information Act		The Council has a model publication scheme for Local Councils in place. Clerk is aware of requirements of the Act.	Clerk will monitor and report any impact of requests made under Act.
Insurance	<ul style="list-style-type: none"> <li>Adequacy</li> <li>Cost</li> <li>Compliance</li> <li>Fidelity guarantee</li> </ul>	An annual review is undertaken prior to policy renewal to ensure that insurance is adequate and provides necessary cover.	Clerk presents review to the Parish Council meetings and approval of policy renewal or new policy is minuted.
Policies	Accuracy and legality	<ul style="list-style-type: none"> <li>Policies are reviewed annually</li> <li>Up to date policy information received from Yorkshire Local Council Association and Society of Local Council Clerks</li> </ul>	Existing procedures adequate

Members Interests (Disclosable Pecuniary Interests)	Conflict of Interest Register of Members Interests	Item 2 of the Agenda of each PC meeting is a disclosure of members' interests.	Any interests are minuted. Any updates to Register of Interest are passed to CDC and copy filed.
Agenda/Minutes/Notices and statutory documents	Accuracy and legality	<ul style="list-style-type: none"> <li>Agenda and minutes are produced by the Clerk and adhere to legal requirements.</li> <li>Minutes are approved and signed at the next Council meeting</li> <li>Agenda and minutes are displayed according to the legal requirements</li> </ul>	Existing procedures adequate
Precept	<ul style="list-style-type: none"> <li>Adequacy of precept</li> <li>Not submitted to CDC within timescale</li> <li>Not paid by CDC</li> </ul>	<ul style="list-style-type: none"> <li>Parish Council regularly receives budget update information and projects income and expenditure for following year.</li> <li>Approval of precept application is an Agenda item at meeting in November/December.</li> <li>Clerk informs Council of receipt of precept (usually April &amp; Sept).</li> </ul>	Parish Council's Financial Regulations are applied
Financial Records	<ul style="list-style-type: none"> <li>Inadequate or incorrect records</li> <li>Irregularities</li> </ul>	Parish Council has Financial Regulations	Financial Regulations reviewed annually
Best Value	<ul style="list-style-type: none"> <li>Contract awarded incorrectly</li> </ul>	Parish Council has Financial Regulations	Existing procedures adequate
Internal Audit	<ul style="list-style-type: none"> <li>Completion within time limits</li> </ul>	<ul style="list-style-type: none"> <li>Internal auditor is appointed by Parish Council on an annual basis</li> <li>Internal auditor works with Clerk/RFO to obtain satisfactory completion of the Internal Auditor's Report section of the Annual Return.</li> </ul>	Existing procedures adequate

Annual Return	Completion and submission within time limits	Annual Return is completed and signed by the Council, submitted to the internal auditor for completion and sign off and then checked and sent on to the External Auditor within the time limits.	Existing procedures adequate
Legal powers	<ul style="list-style-type: none"><li>Acting ultra vires</li></ul>	<ul style="list-style-type: none"><li>Activities and payments within the powers of the Parish Council to be resolved and minuted at Parish Council meetings, including where relevant a reference to the power used.</li><li>Professional advice to be taken where any doubt arises as to Parish Council's legal powers.</li></ul>	Existing procedures adequate
Reserves	<ul style="list-style-type: none"><li>General</li></ul>	<ul style="list-style-type: none"><li>Reserves should be at least 50% of precept value.</li><li>Council considers expenditure of reserves if necessary</li></ul>	Existing procedures adequate