

## **HARTLEBURY PARISH COUNCIL**

### **RISK ASSESSMENT SCHEDULE**

Reviewed by Finance Committee 7<sup>th</sup> September 2021 and adopted by full Council 5<sup>th</sup> October 2021 for presentation to full Council 6<sup>th</sup> September 2022

<b>Topic</b>	<b>Risk</b>	<b>Level H/M/L</b>	<b>Management of risk</b>	<b>Internal Control System</b>
<b>General Risk Management</b>				
<b>Insurance</b>	Adequacy, cost, compliance and Fidelity guarantee	L	Annual review	Review by the Clerk/FRO all insurance arrangements immediately prior to renewal with recommendations to the Council for ratification.
<b>Assets</b>	Damage to building & fixed assets	M	Annual review of Asset Register	Regular review led by Chair of the Finance Committee, recommendations FC and then to full Council as required
	Damage to Parish Hall	L	Insured by HPHMC	Existing procedure adequate
	Loss or damage	L	Inspection programme in place; insurance schedule & asset register maintained	Existing procedure adequate
	Risk of damage to third party property or individuals	M	Annual review of public liability insurance	As per insurance control
	Damage to playground & equipment	M	Annual inspection by suitably recognised inspector & regular inspection by Playing Fields advisory group	Regular review by Playing Fields Advisory Group
<b>Topic</b>	<b>Risk</b>	<b>Level</b>	<b>Management of risk</b>	<b>Internal Control</b>

		H/M/L		System
<b>Asset Register</b>	Not up-to-date	L	Review annually by Finance Committee for ratification by the Council	Regular review by Finance Committee
<b>Financial Matters</b>				
<b>Budget</b>	Current and two years forward	L	Anticipated expenditure put forward initially by Council; review of budget by Finance Committee	Regular review by Finance Committee
<b>Precept</b>	Request not submitted	L	Action recorded in minutes & Clerk to monitor	Financial procedures in place
	Not paid by District Council	L	Adequate reserves held to maintain Parish Council responsibilities for one year.	Monthly bank reconciliation
	Inadequate	L	Annual review by the Council	Regular review by Finance Committee with reports to Council
<b>Banking arrangements</b>	Not optimized	L	Periodic review by Finance Committee	Regular review by Finance Committee
	Banking not done & cheques not presented	L	Monthly bank account reconciliation against cash book and error checking built and recorded	Monthly bank reconciliation
<b>Grants and support payable</b>	Payment is illegal	L	Each item of expenditure reviewed by Council to decide if a power to pay exists or if a sec 137 payment is justified; decision is minuted.	Minutes are reviewed routinely by Council and by Internal Auditor
	Sec 137a procedures not followed		Each item of Sec 137 payment reviewed by the Finance Committee, ensure follow-up procedure is implemented; decision is minuted.	Minutes are reviewed routinely by Council and by Internal Auditor
<b>Topic</b>	<b>Risk</b>	<b>Level H/M/L</b>	<b>Management of risk</b>	<b>Internal Control System</b>
<b>Grants receivable</b>	Grant not received	M	Clerk follow up as required	Financial procedures in place

<b>Clerk</b>	Salary wrongly paid	L	Monthly breakdown of amount paid presented to chq signatories & supported by documents as appropriate	Details of payment available for verification & approval by members
	Wrong Tax/NI deductions	L	HMRC PAYE calculation and submission carried out by Payroll Programme Money Soft.	HMRC print out available on request , approval by members
	Salary set at incorrect level	L	Salary in line with NALC pay scales. Annual salary increments in place in line with employment contract	Annual performance assessment by the Staffing Committee .
	Staff fraud	L	Payments to Clerk approved each month by Council. Fidelity guarantee in place at level recommended by insurers. Clerk is not a bank account signatory	Regular bank reconciliation
<b>Chairman's allowance</b>	Too high or low	L	Approval by Council	Subject to judgement of Councillors
<b>Supply of goods and services (non-regular)</b>	Goods not supplied	M	Follow up all orders by Clerk	Existing procedures adequate
	Invoice incorrect	L	Invoices checked by Clerk before payment	Payment verified & approved by cheque signatories
	Cheque incorrectly written out	L	Signatories check cheque against invoices	Signatories initial cheque book stubs and invoices
<b>Topic</b>	<b>Risk</b>	<b>Level H/M/L</b>	<b>Management of risk</b>	<b>Internal Control System</b>
<b>Election costs</b>	Invoice not as expected	L	When an election is due the Clerk will obtain an estimate of costs from the District Council for a full election and an uncontested election. There are no	Existing procedure adequate

			measures which can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled	
<b>Internal Audit</b>	Failure to submit in time for Council approval prior to Annual Return submission	L	Clerk prepares accounts and draft Annual Return for approval by Council	Regular review by Finance Committee
<b>Annual Return/ External Audit</b>	Failure to submit within time limits	L	Annual Return is completed and signed by the Council, submitted to the internal auditor for completion and signing then checked and sent on to the External Auditor within time limit	Regular item on Council agenda
<b>Employer's Annual Tax Return</b>	Failure to submit within time limits	L	Employer's Annual Tax Return is completed and submitted online and to the Inland Revenue within the prescribed time frame by the Clerk via Money Soft programme.	Overseen by Clerk & reviewed once a year by the Internal Control Clls
<b>VAT</b>	VAT records not kept	L	All items in cash book	Overseen by Clerk & review once a year via Internal Control Cllrs
	VAT not claimed back within time limits (3 years)	L	Returns submitted on a yearly basis	Overseen by Clerk & the internal Control Cllrs.
<b>Reserves</b>	Inadequate	M	Reviewed annually at budget setting with the Clerk	Review by Finance Committee/Clerk
	Excessive	L	Reviewed annually at budget setting with the Clerk	Review by Finance Committee/Clerk
<b>Topic</b>	<b>Risk</b>	<b>Level H/M/L</b>	<b>Management of risk</b>	<b>Internal Control System</b>
<b>Legal Powers</b>	Illegal activity or payment	M	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council meetings (including a reference to the power	Minutes are reviewed routinely by Council and by Internal Auditor; Members

			used)	training programme
<b>Record Keeping</b>				
<b>Financial Records</b>	Inadequate records	L	Financial Regulations set out the requirements	Financial Regulations are reviewed annually and an Annual Internal Audit is carried out
	Financial irregularities	L	Records are submitted monthly to finance committee	Regular review by Finance Committee and the adoption of a new Fraud and Corruption Policy by the parish council
<b>Minutes/Agendas/ Notices</b>	Inaccurate and illegal	L	Minutes and agenda are produced to a required standard by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting.	Routinely presented to all Councillors
<b>Financial Regulations</b>	Legality/adequacy	L	Periodic review by Council	Reviewed as required by Finance Committee
<b>Standing Orders</b>	Legality/adequacy	L	Yearly review by Council	Council agenda item as required
<b>Computer Records</b>	Lost or corrupt files	L	System back up procedures in place monthly from pad storage devise to hard drive	Existing procedure adequate
<b>Topic</b>	<b>Risk</b>	<b>Level H/M/L</b>	<b>Management of risk</b>	<b>Internal Control System</b>
<b>Employees &amp; Contractors</b>				
<b>Contracts</b>	Clerk	L	Reviewed annually by Staffing Committee	Review as and when

	Lengthsman  Grounds Contact	L  L	Based on WCC Annual Agreement  Contract agreed annually, reviewed by the finance committee	required by Staffing Committee  Annual agreement signed with WCC  Recommendations to Council
<b>Contractors indemnity insurance</b>	Inadequate	L	Reviewed annually by Clerk	Copies held by Clerk
<b>Key personnel</b>	Resignation	L	On-going review by Staffing Committee of hours, health, training, and welfare	Clerk & Staffing Committee
<b>Councillor's Responsibilities</b>				
<b>Business Conduct</b>	Inappropriate	M	Business conducted at Council meetings should be managed by the Chair	Members to adhere to Code of Conduct.
<b>Code of Conduct</b>	Not current	L	Reviewed with each new Council or when a new version is issued	Based on advice from CALC
<b>Register of Interests</b>	Not current/complete	M	Councillors reminded at each meeting	Agenda item for every Council meeting
<b>Declaration of Interests</b>	Prejudicial interest not declared by a member	M	Members to ensure they understand their legal obligations. Opportunity to declare at beginning of every meeting	Standing Order item
<b>Declaration of pecuniary Interests</b>	Pecuniary interest not declared by a member	M	Members to ensure they understand their legal obligations. Opportunity to declare at beginning of every meeting	Agenda item for every Council meeting; Standing Order item
<b>Register of gift / hospitality</b>	Failure to register	L	Periodic reminder given by Clerk	Standing Order item