

TROWSE WITH NEWTON PARISH COUNCIL FINANCIAL RISK ASSESSMENT

As adopted 28th October 2019

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that seeks to enable the Parish Council to identify and mitigate its potential inherent risks. Trowse Parish Council, based on this recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks insofar as this is practically possible.

This document has been produced to enable Trowse Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to mitigate them.

FINANCIAL AND MANAGEMENT

Subject	Risks Identified	H/M/L Likelihood Impact	Management/Control of Risk	Review/Assess Frequency
Reserves & Precept	Inadequacy of existing funds and precept levy /preventing the Council from carrying out its statutory functions	L	<p>Expenditure is monitored against the approved budget for the year and reported to Council quarterly. Any unbudgeted commitments are approved after their assessment of their impact on existing reserves.</p> <p>To determine the precept amount required for the next year the Council receives previous year receipts and payments data, a forecast for the current year and a draft budget for the next year that reflects ongoing costs and any proposed changes of expenditure including that for any ad hoc projects.</p> <p>Council then considers the required monies for ongoing costs and any special projects and allocates specific amounts to budget headings. Consideration is given to any other income sources and the level of the Council's existing reserves. The level of precept needed is then agreed and resolved to be the precept amount requested from Great Yarmouth Borough Council. The figure is submitted in writing by the Responsible Financial Officer.</p> <p>The Council's policy is to maintain reserves equal to 6 – 9 months expenditure for ongoing costs.</p>	<p>Review and assess quarterly.</p> <p>Existing procedure adequate.</p> <p>Council must balance the public's desire for services with the ability to pay for them.</p>
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Grants	Proper transparency and accounting	L	Grants made and received are separately accounted for with clear ring fencing where necessary	Review and assess annually.
Financial Records	Inadequate Records that provide insufficient information to enable users to form an adequate opinion of the financial position of the Council or Audit financial details. Inadequate records to ensure legal compliance ie: PAYE or VAT records	L/M L/M	The Council has adopted Financial Regulations and Standing Orders based upon the NALC Model Documents. Council has appointed a Responsible Financial Officer who is adequately trained and supports this position with training and outsourcing where necessary (ie PAYE). Full Council must approve all outside budget expenditure. The council operates a Receipts and Payments system. The Councils Finance Committee and Full Council receive full budget reports quarterly. The full Council receives and signs bank statements monthly showing current reserves available. Full Council approves all payments monthly. Annually the Full Council considers the adequacy of the Council's financial systems and controls and considers reports from both Internal and External Auditor. All recommendations and are assessed by the Finance Committee who monitor actions to ensure any recommendations are implemented.	Review and assess annually. Existing procedure adequate.
Fraud - general Fraud – PAYE	Inadequate Checks. Work inappropriately rewarded. Overspend.	L	The Council has Financial Regulations that set out banking requirements. All cheques must be signed by two designated signatories. All payments approved at Full Council meeting monthly. No internet banking used. Clerks expenses approved at Full Council monthly. Regular bank reconciliations provided to full council. PAYE and Pension payments processed by Clerk. Clerks salary based on national scales. Monthly payments approved at full council. Internal Audit checks payments.	Review annually. Existing procedure adequate. Existing procedure adequate
Best Value	Work awarded appropriately. Overspend on services	L	Parish Council seeks to obtain 3 quotes on all orders over £500.00. Financial Regulations set parameters of Procurement. All expenditure minuted.	Review Financial Regulations Annually. Procedure adequate.
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VAT	Failure to levy and pay VAT when required – VAT registered, fines, non-compliance, legal issues	L/M	Vat Claim to be as necessary. Council has purchased necessary software to be compliant with new processes. Clerk issues all invoices.	To be monitored by Finance committee. Claims to be reported to full Council.
Legal Powers	Ultra vires activities or payments	L	All activity and payments are assessed and approved by full Council. Power of Competence adopted. Councillors and Clerk able to access necessary training. Qualified Clerk advises Council	Ongoing review and monitoring by RFO and Finance Committee. All payments/orders to Full Council except as designated in Terms of Reference and Financial Regulations.
Inadequate Insurance Cover	Loss of Capital – due to costs paid to 3 rd parties or loss to Council not recovered	L/M	Annual review undertaken by RFO and Finance Committee. Public Liability held. Asset register reviewed annually, approved at full council and provided to insurance company. Periodic and specific Risk Assessments carried out as necessary.	Review and Assess at Finance. Procedure adequate.
Electronic Records	Loss of vital information including failure to meet statutory retention requirements	L/M	Back up copy of all computer records taken monthly and kept in a different location.	Existing procedure adequate.
Legal Records	Inadequate application of, or loss of, rights arising from contracts and title to property due to inability to locate legal documents	L/M	Clerk maintains property register as part of Asset register. Minutes and Accounts deposited at Norfolk Archive Centre for safekeeping.	Current arrangements adequate.
Website and Information	Inadequate or outdated information and lack of public engagement	L/M	Website (WordPress) maintained by Clerk with Councillor access.	Training to be funded if necessary.
Elections Costs	Elections are expensive.	L	Funds are available if necessary	Existing procedure adequate
Annual Returns	Return submitted Late	L	Annual Returns completed by Clerk and approved by whole council prior to submission to external auditor. PAYE and P60 returns to HMRC.	Existing procedure adequate.
Non Availability of Clerk/RFO	Ineffective administration of council	M/H	Temporary cover possible – contact NALC for locum.	Keep adequate reserves for 6 months dual salary in budget calculations.

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Council Minutes	Non transparency – failure to protect legal documents	L	Draft meeting minutes circulated to Councillors promptly and published on website/facebook/noticeboards. Clerk notified of amendments by Councillors for inclusion before next meeting. Signed at next meeting by Chair. All Committee minutes available to next full Council meeting	Existing procedure adequate.
Conflicts/Gifts/Declarations of Interest	Failure to comply with statute.	L/M	Councillors issued with Code of Conduct. Declarations of Interest reviewed annually at May Meeting. Every agenda to include Declarations of Interest and Dispensations granted as an item.	Current procedure adequate.
Access to Funds	Inability of Council to access funds due to signatory issues. Failure of Councillors to provide adequate documents to bank.	L/M	Four current Councillors to be maintained as signatories at all times to allow for turnover of Councillors. Bank statements checked to ensure details are correct. Clerk to be named administrator on account to enable access to information to ensure functionality maintained.	Existing procedure adequate. Resignations to be monitored and signatory powers to be rescinded immediately by RFO.
Correspondence	Failure to receive communications	M	trowsepc@outlook.com is now a dedicated email on a Council owned machine which can be passed along. The website gives postal address as well as telephone and email. Parish Office is the sole address for the Council on all communications.	Existing procedure adequate.
Business Disruption	Loss of income re: Sports facility/pavilion. Failure to receive payments re: burial ground.	M	Non precepted income is not material to the Councils material standing. Alternative service suppliers can be contacted. Essential service providers (ie utilities) have robust business recovery systems.	Existing procedures adequate.
Loss or damage to Physical assets	Loss of use or capital loss	L/M	Annual review of Asset Register taken for insurance and financial purposes. Alarm in Parish Office. Keyholder list maintained. Pavilion Keyholder list maintained.	Existing procedures adequate.
Maintenance of Assets	Loss of use or injury	L/M	Regular safety checks – Risk Assessments – PAT testing, Fire Inspections. GYBC check play area. Clerks reviews as necessary.	Existing procedure adequate.