

Henley Parish Council Financial Risk Assessment.

Document Control		
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Financial	Severity: 1. Slight (minor injury, first aid required). 2. Moderate (minor injury, first aid/medical attention). 3. Serious (injury, medical attention, 7 day absence). 4. Major (serious injury/death). 5. Catastrophic (number of casualties/deaths).	<table border="1" style="margin: auto; border-collapse: collapse;"> <tr> <td></td> <td></td> <td colspan="5" style="text-align: center;">Severity</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> <td style="text-align: center;">5</td> <td></td> </tr> <tr> <td rowspan="5" style="writing-mode: vertical-rl; transform: rotate(180deg);">Probability</td> <td style="text-align: center;">5</td> <td style="background-color: yellow;">5</td> <td style="background-color: orange;">10</td> <td style="background-color: red;">15</td> <td style="background-color: red;">20</td> <td style="background-color: red;">25</td> <td style="text-align: center;">LOW (1-4): May be ignored</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="background-color: yellow;">4</td> <td style="background-color: orange;">8</td> <td style="background-color: red;">12</td> <td style="background-color: red;">16</td> <td style="background-color: red;">20</td> <td style="text-align: center;">MEDIUM (5-9): Control measures Required</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="background-color: yellow;">3</td> <td style="background-color: orange;">6</td> <td style="background-color: red;">9</td> <td style="background-color: red;">12</td> <td style="background-color: red;">15</td> <td style="text-align: center;">HIGH (10+): Design out if possible</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="background-color: yellow;">2</td> <td style="background-color: orange;">4</td> <td style="background-color: orange;">6</td> <td style="background-color: orange;">8</td> <td style="background-color: orange;">10</td> <td></td> </tr> <tr> <td style="text-align: center;">1</td> <td style="background-color: yellow;">1</td> <td style="background-color: yellow;">2</td> <td style="background-color: yellow;">3</td> <td style="background-color: yellow;">4</td> <td style="background-color: yellow;">5</td> <td></td> </tr> </table>			Severity								1	2	3	4	5		Probability	5	5	10	15	20	25	LOW (1-4): May be ignored	4	4	8	12	16	20	MEDIUM (5-9): Control measures Required	3	3	6	9	12	15	HIGH (10+): Design out if possible	2	2	4	6	8	10		1	1	2	3	4	5			
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Hazard	Potential risk	Initial Assessment			Control Measure	Residual Assessment			Monitoring and Further Action Required																																															
		Probability	Severity	Risk		Probability	Severity	Risk																																																
Precept	Adequacy of precept	2	2	4	Regular budget review by full council	1	2	2	Regular reviews by Full Council minuted.																																															
	Precept request not submitted to the principal authority by the required date.	1	2	2	Clerk submits draft precept figures to Council annually in December and will be finally approved by full Council when all facts are known. Precept to be considered before the deadline; Clerk to submit the precept before the deadline; Clerk confirms to full Council receipt of submission request	1	1	1																																																
	Precept not paid by District Council	1	5	5	Clerk informs Council when precept money received or chases district	1	2	2																																																

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					council if it has not been received when due.				
Financial records	<p>Inadequate Records Financial Irregularities</p> <p>Loss through fire, theft or damage. Loss through computer failure, hacking or virus infiltration</p>	2	2	4	<p>Regular financial reviews by full Council</p> <p>Financial regulations set out the requirements</p> <p>Internal Controls are carried out annually and reviewed by full Council.</p> <p>The Parish Council has a document retention policy.</p> <p>All documents are backed up to the Cloud and regularly backed up onto a memory stick held by the Clerk.</p>	1	2	2	<p>Existing procedures are adequate.</p> <p>Financial regulations reviewed annually</p>
Assets	<p>Loss or damage Risk or damage to third party property or individuals</p>	2	2	4	<p>An annual review of assets is undertaken for insurance and maintenance provision.</p> <p>Update insurance and asset register at least annually.</p> <p>Compare insurance schedule with asset register at least annually.</p> <p>Review adequacy of public liability insurance.</p>	1	2	2	<p>Existing procedures are adequate.</p> <p>Diary the annual renewal</p>

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Maintenance of assets	Reduced value of assets or amenities. Loss of income or performance	2	2	4	<p>All assets owned by the Parish Council are regularly reviewed and maintained.</p> <p>All repairs and relevant expenditure for these repairs are actioned/authorised in accordance with the correct procedures of the Parish Council.</p> <p>All assets are insured and reviewed annually</p>	1	2	2	<p>Visual inspections are carried out regularly and issues are reported to full Council. Existing procedures are adequate.</p>
Insurance	Adequacy Cost Compliance	2	5	10	<p>An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place.</p>	1	2	2	<p>Existing procedure adequate.</p> <p>Review insurance provision at least annually and when necessary i.e. additional assets purchased or disposed of.</p>
Members interests	Conflict of Interest Register of interest	1	2	2	<p>An item on every agenda to remind all Cllrs of their duty to declare any interest</p> <p>Declarations of interest to be documented. Any conflict addressed as appropriate.</p> <p>Register of members interest forms to be reviewed regularly by Councillors and are published on the Parish Council website</p>	1	2	2	<p>Existing procedure adequate.</p> <p>Members take responsibility to update their Register</p>

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Minutes/ Agendas/ Notices Statutory documents	Accuracy and legality Business conduct	1	2	2	<p>Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements and best practice guidelines.</p> <p>Minutes are approved and signed at the following Council meeting.</p> <p>Minutes and agenda are displayed according to the legal requirements.</p> <p>Business conducted at Council meetings should be managed by the Chair.</p>	1	2	2	Existing procedure adequate. Guidance/training to Chair should be given (if required). Members to adhere to Code of Conduct
Legal Powers	Illegal activity or payment	2	4	8	<p>All activity and payments within the powers of the Parish Council to be resolved and minuted at Full Parish Council Meetings, including a reference to the power used if not a regular expense.</p> <p>Clerk gives guidance and advice.</p> <p>Councillors and staff receive relevant training as to their legal powers</p>	1	2	2	Existing procedure adequate.
Annual Return	Completion/Submission within time limits	1	2	2	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 the prescribed time limit.	1	1	1	Existing procedure adequate

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Audit	Audit Completion within time limits	1	2	2	<p>Internal auditor is appointed by the Council. Internal auditor is supplied with the relevant documents to audit and the form to complete and sign for the External Auditor. The accounts are open to public examination each year as required by the Accounting and Audit regulations. The Annual reports is published on the Councils website.</p> <p>Auditing takes place annually.</p>	1	1	1	Existing procedure adequate
VAT	Re-claiming/charging	2	3	6	<p>The Council has Financial Regulations which set out the requirements.</p> <p>VAT is considered as part of the regular financial reviews by full Council.</p> <p>VAT is reclaimed annually from HMRC and repaid by BACS</p>	1	2	2	Existing procedure adequate
Election costs	Risk of an election cost	1	2	2	<p>Risk is higher in an election year. When a scheduled election is due the Clerk will obtain an estimate of costs from the District Council. There are no measures which can be adopted to minimise the risk of having elections, as this is a democratic process.</p> <p>There are no measures that can be adopted to minimise the risk of having a contested election as this is a</p>	1	1	1	Council should consider saving each year to cover all costs

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					democratic process				
Employees	Sudden and unexpected loss of employee requiring possibly higher cost of temporary/locum while recruiting replacement	3	3	6	<p>Reference to a Continuity Plan should be made in case of loss of key personnel.</p> <p>The Parish Council can appoint a temporary Clerk to provide resilience in the event of the loss of the Clerk</p> <p>Annual review and appraisal to ensure job, pay and conditions are acceptable to the employee.</p>	2	2	4	Continuity Plan document shared with Chairman
Salaries and assoc. costs	<p>Salary paid incorrectly: wrong hours paid wrong rate paid</p> <p>False employee</p> <p>Wrong deductions of NI or Tax</p> <p>Unpaid Tax & NI contributions to the Inland Revenue</p> <p>Council not meeting legislative requirements re workplace pensions</p>	1	2	2	<p>The Parish Council authorises the appointment of all employees through all council meetings.</p> <p>Salary rates and hours of work are set by full Council.</p> <p>The Clerk's financial reports reviewed at regular Council meetings details clerks hours worked and rate.</p> <p>The Tax and NI is worked out using an external supplier.</p> <p>The Clerk has a contract of employment and job description and pension arrangements comply with current legislation.</p> <p>Annual reviews of staff performance</p>	1	1	1	Existing appointment system adequate. A Confidential session, at a nominated PC meeting, needs to be held to carry out an annual review.

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					and pay are agreed by full Council in a closed meeting.				
Grants and supports	No Power to pay. No evidence or agreement of Council to pay	2	4	8	Minute Council agreement with the power used to authorise the payment	1	2	2	Existing procedure adequate. Parish Councillors request S137 rules if required.
Access to paper files	Loss of access	2	3	6	Paper records are stored securely in a cabinet at the Clerks address. The cabinet is in a garage which is secured by a steel door double locked.	1	3	3	Existing procedures adequate.
Access to electronic files	Loss of access	2	3	6	All passwords are retained securely by the Clerk in the cabinet. Copies of passwords are given to the Chairman. No work is undertaken on a computer to which the public has access. Computer and sites are password protected	1	3	3	Existing procedures adequate.
Bank and banking	Inadequate checks Bank mistakes Loss Charges Loss of signatories Fraud	2	4	8	The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. The Clerk reconciles the bank	1	3	3	Existing procedures adequate. Review the list of bank signatories when necessary.

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					<p>accounts monthly; any problems/irregularities are dealt with immediately by informing the bank and awaiting their correction.</p> <p>Clerk investigate queries in the interim by viewing the account online</p> <p>Council carries out an internal audit at least annually to ensure compliance with Fidelity guarantee.</p> <p>Two signatures are required to authorise on line payments and cheques; at least three members are authorised on the bank mandate.</p>				
Reserves	<p>Adequacy</p> <p>Maintenance</p> <p>Movement</p>	2	4	8	Levels of reserves to be considered at budget setting and regularly during the year.	1	2	2	<p>Existing procedure adequate</p> <p>Review financial reserves and Financial Regulations regularly.</p>
Cash / Loss	Loss through theft or dishonesty	1	1	1	<p>The Council has Financial Regulations which set out the requirements.</p> <p>Cash and cheques are banked within 5 working days of receipt.</p> <p>Insurance cover is provided for infidelity.</p>	1	1	1	<p>Existing procedure adequate</p> <p>Review Financial Regulations regularly.</p>

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Payments	Goods not supplied Invoice incorrectly calculated or recorded Cheque made out incorrectly	2	2	4	Purchase invoices matched to good receipt notes where appropriate Arithmetic checked on all invoices. List of payments agreed by Council and signed by two signatories. Cheques compared to invoices and counterfoil and invoice signed. Payments listed in meeting minutes	1	1	1	Existing procedures adequate.
Reporting	Information communication Compliance	1	3	3	A monitoring statement is produced regularly and presented to Council, discussed and approved at the meeting. This statement includes, bank reconciliation, budget update, and a breakdown of receipts and payments balanced against the bank. Council should regularly audit internally to comply with the Fidelity Guarantee.	1	2	2	Existing procedure adequate
Data Protection	Compliance with General Data Protection Policy (GDPR)	1	3	3	Clerk to ensure the website complies with legislation.	1	2	2	Existing procedure adequate