

## West Halton and Coleby Parish Council - Financial Risk Assessment

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

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Precept	Inadequate Precept	L	To determine the precept required, the Clerk/RFO examines the current financial year's accounts together with the projected year-end accounts, and considers all expenditure and income required for the next financial year, then presents this to Council to enable Council to make an informed decision and subsequent approval of such. The public are then notified of this via a meeting Agenda and invited to attend the next full Council meeting, at which Council agree the Precept amount. The Clerk then submits the Precept form to North Lincolnshire Council (NLC) for processing and payment. The Clerk/RFO checks the bank account in April and again in September, to ensure the half yearly precept payments have been made by NLC. If a payment has not been made, the Clerk contacts NLC and requests them to make the payment.	The procedures in place are adequate and are reviewed annually.
	Precept not paid by Local Authority	L		
Financial Regulations	Not adhering to policy and procedures as set out in the Financial Regulations	L	The Clerk/RFO and Council follow the Financial Regulations as set out by NLC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council and adopted at the Annual Parish Council Meeting.	Current Financial Regulations are adequate and adopted by Council.
Standing Orders	Not adhering to policy and procedures as set out in the Standing Orders	L	The Clerk/RFO and Council follow the Standing Orders as set out by NLC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council and adopted at the Annual Parish Council Meeting.	Current Standing Orders are adequate and adopted by Council.
Bank Records & Banking	Banking / Financial Errors	L	All items of income and expenditure are cross-referenced against the bank statements and a monthly reconciliation report created for authorisation. Both records are examined and authorised monthly by the Internal Controller and noted by Council quarterly. All expenditure and income are advertised via monthly meeting Agendas before being approved by Council at Parish Council Meetings and minuted as such. All on-line transactions are to be authorised by 2 Councillors.	Current procedure adequate.  Current pro
	Loss through theft and dishonesty	L		

## West Halton and Coleby Parish Council - Financial Risk Assessment

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Electronic Payments (BACS)	<p>Payments made without Council approval</p> <p>Incorrect electronic payment or amount made / No monitor on actual electronic entry</p>	<p>L</p> <p>M</p>	<p>All BACS payments are approved by Council prior to the payment being made.</p> <p>If a payment needs to be made outside of the meeting, then approval is to be sought from the Chairman, with the decision and payment ratified at the next available council meeting via the monthly Ratification Statement.</p> <p>Council uses the Virgin Banking Banks's online "Approver" facility, which automatically requires that payments made from the account must be authorised by a second approver before being released to the payee. The inputter and the approver both check the electronic entry to ensure that it matches the approval list from the meeting.</p>	Reviewed annually.
Financial/Account Records	Inadequate Records	L	<p>The Clerk/RFO maintains a cashbook listing all income and expenditure. The Clerk/RFO compiles all paperwork relating to monthly income and expenditure in hard copy. Electronic files are saved to the laptop and are automatically backed-up to the cloud. All files are reviewed by the Chairman and Internal Controller annually and also assessed by the NLC Internal Auditor annually before being submitted for external audit.</p>	Reviewed annually.
Investment Account/Income	Loss of funds	L	<p>The account is reviewed regularly and reconciliations are completed for authorisation by the Parish Council Internal Controller. Investment of Council funds will be in accordance with the Investment Strategy/Policy approved by Council.</p>	Review annually.
Grants Awarded to Council	Not receiving grant funding when successfully applied for	L	<p>The Clerk/RFO is to ensure that all grant payments are made to the Council according to the terms of the grant and at the correct time, following up with the individual local authority and/or organisation if they are not.</p>	All reviewed annually.
Grants Awarded by Council	<p>Not following the grant claims procedure</p> <p>Grant Payments</p>	<p>L</p> <p>L</p>	<p>The Clerk/RFO ensures the Grants Policy is adhered to and that all qualifying organisations are notified of the claim process annually. The Clerk/RFO also ensures there is a power to pay such grants before presenting the grant application to Council for approval.</p> <p>The Clerk/RFO ensures that all annual grants are budgeted for and a schedule of such payments kept for audit purposes and future budgeting. Payment is made in accordance with the Grants policy.</p>	All reviewed annually.

## West Halton and Coleby Parish Council - Financial Risk Assessment

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Cash	Loss through theft and dishonesty	L	No petty cash is held by the Clerk/RFO or Council members. Any sundry items are to be purchased using the Council Debit Card as per procedure outlined in the Financial Regulations, or by the Clerk/RFO personally and claimed back via expenses against receipts held.	N/A Current procedure adequate. Reviewed annually.
Debit Card	Incorrect use	M	Use of the Debit Card is restricted to use by the ClerkO, in line with Financial Regulation 11. Records of use are included in the cashbook and invoice folder, including all receipts. All debit card purchases are added to the monthly Agenda under Accounts, for review and approval by Council.	Reviewed annually.
Borrowing	Ability to repay any loans	L	The Clerk/RFO ensures that appropriate cash-flow forecasting is completed as and when required, and annually, the Clerk/RFO completes affordability check calculations. A report is presented to Council by the Clerk/RFO before any loans are applied for.	Reviewed as and when finance is required for a particular project not covered by the Precept and at budget time.
Best Value	Charges made on the Parish Council are too high	L	The Clerk/RFO should obtain at least 3 estimates/quotations for any work undertaken by contractors on behalf of the Parish Council and for any major expenditure, as set out in the Financial Regulations. All estimates/quotations are then agreed and approved by full Council and minuted accordingly.	Current procedure is adequate.
Financial Reporting	Insufficient information	L	The Parish Council appoints an Internal Controller annually to review and authorise all financial records. All income and expenditure are presented at Parish Council meetings on the meeting Agenda, along with the balances of all Parish Council bank accounts. Each quarter, the Clerk/RFO circulates a Financial Report to Council, outlining income and expenditure against budget and highlighting main points in a commentary. All income and expenditure are also entered into the cashbook against the correct cost code, stating the minute reference. The Clerk/RFO ensures that all VAT returns are made in a timely manner and recorded in the cashbook. All accounts are available for public inspection.	Current procedure is adequate. The cashbook (budget) is reported on quarterly and reviewed by full council.

## West Halton and Coleby Parish Council - Financial Risk Assessment

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Audits	Annual Audit is not completed within the set deadline  Annual Audit is not advertised	L  L	The Clerk/RFO prepares the year end accounts statement and Annual Governance and Accountability Return for the NLC Internal Auditor to review in April. Once the accounts have been returned and any recommendations reported on and observed, Council then approves them at the annual meeting in May, along with all audit papers and the Annual Governance and Accountability Return. These are then submitted to the External Auditor for review. The Clerk ensures the annual audit and conclusion of audit notices are displayed on the Council notice board and website for the public to view, for the prescribed period of time.	Current procedure adequate. The Clerk holds a review meeting with the Chairman and Internal Controller before the year-end accounts prior to approval and submission.
Invoices	Goods not supplied but billed  Incorrect Invoicing  Unpaid Invoices	L  L  L	Invoices are only paid after the service or goods have been received to the Council' satisfaction, and only after full Council have approved them.  All requests /orders for goods and services are confirmed in writing by the Clerk/RFO, to agree all costs involved. The Clerk/RFO checks all invoices received for accuracy and ensures all information is entered into the Cashbook.  The Parish Council raises very few invoices. Any unpaid invoices will be followed up by the Clerk as part of month end routines.	Current procedure is adequate. The Cashbook (budget) is reviewed annually by the Clerk/RFO and Internal Controller.
Freedom of Information Act	Non-compliance with the Model Publication Scheme	L	Information and documentation is made available on the Parish Council website, in order to comply with the Model Publication Scheme. Information is also publicised on the Parish noticeboards, with all FOI's dealt with in accordance with the Model Publication Scheme also.	Reviewed annually, therefore current procedure is adequate.
Salaries	Salary and expenses paid incorrectly  Incorrect NI & Tax deductions and Pension contributions	L  L	West Halton and Coleby Parish Council only employs one person, the Clerk. The Clerk presents their expenses, monthly, via the meeting Agendas. Full Council approves all presented figures at the monthly meetings, which is recorded in the minutes.  To ensure accuracy of salary and tax/NI payments/contributions, a payroll company is employed to undertake all payroll and pension duties/tasks.	Current procedures are adequate.
Data Protection	Non-compliance with Data Protection Legislation	L	West Halton and Coleby Parish Council is registered with ICO the UK Data Protection Agency and is governed by their rules. West Halton and Coleby Parish Council have also adopted various policies and procedures concerning the 2018 General Data Protection Regulations and employs NLC as its Data Controller.	Reviewed annually, therefore current procedure is adequate.  Service is renewed annually.

## West Halton and Coleby Parish Council - Financial Risk Assessment

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Insurance	Inadequate Cover	L	An annual review is undertaken prior to the renewal of the insurance policy. Third party risk is included within the cover, with current liability set at £10m.	Due to the insurance being reviewed annually and cover updated with any capital items as and when required, the current procedure in place is adequate.  Quotations will be obtained annually, in September. In cases where a longer term agreement is in place, a review of adequacy will still take place annually, however quotations will not be obtained until the last year of the agreement, in September.
	Fidelity Guarantee	L	The amount is reviewed annually to ensure insurance cover is sufficient for the Parish Council's needs.	
	Public Liability	L	The Parish Council maintains insurance cover in all areas. The play equipment at the Playing Fields is regularly inspected by the Playing Field Committee and annually by an External ROSPA Inspector.	
	Personal Accident	L	All Council members, employees and/or volunteers of the Parish Council are covered under the personal accident plan of the insurance policy. Risk Assessments are undertaken for any major events and the insurance company notified.	
	Cost	L	Three quotations are obtained when it is time to renew insurance cover and are presented to Council for it to decide which to accept. The most recent review concluded that a Three Year Long Term Agreement was the best option.	
Physical Assets	Loss or damage Risk/damage to third party property	M L	An annual review is conducted for insurance, storage and maintenance purposes. An annual review is also conducted for the level of public liability insurance required.	The Asset Register is updated when necessary with a full review conducted annually.
Financial Assets	Land Rent not paid or rent income received	L	The Clerk/RFO is to ensure that all rent income and expenditure, is paid in a timely manner and recorded within the budget.	All rent payments and income are reviewed annually.
	Adequacy of Reserves	L	Considered by Council annually at budget setting in November/December and minuted.	Reviewed annually.

Signed *Charles Dent* Position CHAIR date 2<sup>nd</sup> May 2024 original signed copy held on file