

SOUTH KELSEY AND MOORTOWN PARISH COUNCIL

FINANCIAL AND MANAGEMENT RISK ASSESSMENT

Date policy approved and adopted: 4 March 2024

Date of review: 9 May 2025 (AMPC)

Date of review: 8 June 2026

Date of next review: May 2027 (AMPC)

This risk management scheme offers a systematic general examination of working conditions, workplace activities and environmental factors that will enable South Kelsey and Moortown Parish Council to identify all potential risks it may face and offers all practical steps to reduce or eliminate the risks, insofar as is practically possible, whilst accepting that some risks can never be fully eliminated.

This Risk Management Scheme will be re-adopted annually and is subject to change.

FINANCE				
Subject	Risk(s) identified	H/M/L	Management/Control of Risk	Review/Assess/Revise
Precept	Adequacy of precept for the Council to carry out its Statutory duties.	L	Careful financial planning and forward planning steer the precept-setting process. Councillors receive monthly budget updates to check income and expenditure. Draft precept considered in December and confirmed at January meeting when Council receives from the Clerk current budget position, projected forecast to year end and indicative costings for next year. The resolved precept amount to be requested from WLDC.	Existing procedure adequate.
	Precept not paid by local authority	L	PC maintains 3 months running costs in Contingency Reserves to cover any delays.	

Financial regulations	Not adhering to the policy and procedures as set out in the standing orders.	L	The Clerk/RFO and council follow the financial regulations as set out by NALC, which have been revised and adopted by the parish council. These are reviewed annually by the clerk/RFO and the council and adopted at the annual parish meeting.	Current financial regulation is adequate and adopted by the council.
Standing orders	Not adhering to the policy and procedures as set out in the standing orders.	L	The clerk/RFO and council follow the standing orders as set out by NALC 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 the council.
Best Value Accountability	Work awarded incorrectly Overspending on services Charges made on the council are too high	L M	Recorded at a full council meeting who has been awarded work. For major work, competitive tenders are produced by the Clerk. 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 within the Financial Regulations. All estimates/quotations are then agreed and approved by full council and minuted accordingly	Existing procedures adequate

Bank and banking	Inadequate checks	L	The Council has Financial Regulations which set out banking requirements	Existing procedure adequate
	Banks mistakes	L	Monthly reconciliation completed by clerk/RFO.	
	Banking Loss of signatories	L	Three signatories are currently held to ensure that 2 signatories are always available Insurance cover: Fidelity guarantee and legal expenses cover.	
Financial Records	Inadequate records	L	The Council has Financial Regulations which sets out the requirements.	Existing procedure adequate
	Financial irregularities	L	Councillors check all payments and budget spending and resolve to adopt the monthly financial statement	Regular review of Financial Regulations
Reporting and auditing	Information communication	L	Financial information is a regular agenda item (Finance Report as well as quarterly budget monitoring sheets) and discussed/reviewed and approved at each meeting.	Existing procedures adequate.
	Insufficient information	L	The parish council appoints an internal auditor annually to review and authorise all financial records. All income and expenditure are presented at parish council meetings. Each month, the clerk/RFO circulates accounting statements to council, outlining income and expenditure against the budget and highlighting main points in a commentary. All income and expenditure are entered on to the budget sheet against the correct cost code. The clerk/RFO ensures that all VAT returns are made in a	Current procedure is adequate. The budget is reported on monthly and reviewed by full council.

	Annual audit is not completed within the set deadline	L	<p>timely manner and recorded on the accounting statements. All accounts are available for public inspection.</p> <p>The clerk/RFO prepares the year end accounts statement and annual governance and accountability return for the internal auditor/NALC internal auditor to review in April. Once the accounts have been returned and any recommendations reported on and observed, council then approve them at the annual meeting in May, along with all the audit papers and the annual governance and accountability return.</p> <p>The Clerk/RFO ensures the annual audit and conclusion of audit notices are displayed on the website for the public to view, for the prescribed period of time.</p>	The current procedure is adequate.
Grants	<p>Receipt of grant</p> <p>Grants and donations from Parish Council to others</p>	L L	<p>Clerk informs the Council when the monies are received.</p> <p>No power to pay.</p>	<p>Existing procedures adequate</p> <p>Review annually as part of budget setting process S137.</p>
Charges-rents receivable	Payment of rents	L	The Parish Council collects allotment rents in April each year. Allotment holders have signed agreements in place.	Existing procedure adequate
Income	Loss of income	L	The clerk/RFO is responsible for following up and ensuring payment is made within time scales.	Reviewed annually.
Cash	Loss through theft or dishonesty	L	No petty cash is held by the clerk/RFO or council members. Any items to be purchased are refunded via expenses sheet along with receipts.	Reviewed annually

Invoices	<p>Goods not supplied but billed</p> <p>Incorrect invoicing</p> <p>Unpaid invoices</p>	<p>L</p> <p>L</p> <p>L</p>	<p>Invoices are only paid after the service or goods have been received to the council satisfaction, and only after a full council meeting have approved them or they are contractual payments, where they will be paid and then ratified at full council meeting.</p> <p>All requests/orders for good or services are confirmed in writing by the clerk/RFO, to agree all costs involved. The clerk/RFO checks all the invoices received for accuracy and ensures all the information is entered on the budget sheet.</p> <p>The parish council raised very few invoices. Any unpaid invoices will be followed up by the clerk/RFO as part as their month end routine.</p>	Current procedure is adequate. The budget sheet is reviewed annually by the clerk/RFO and internal auditor
Electronic Payments	<p>Payments made without council approval as required.</p> <p>Incorrect electronic payment or amount made.</p>	<p>L</p> <p>M</p>	<p>All payments are approved by the council prior to the payment being made. If a payment needs to be made outside of the meeting, then Financial Regulations are followed. The payment is added to the next meeting agenda and ratified at said meeting and recorded on the minutes.</p> <p>The council uses the Unity Trust banks online approver facility, which automatically requires that payments made from the account must be authorised by 2 approved signatories before any money is released to the payee. The inputter and the approvers both check the entry to ensure that it matches the approval is from the meeting.</p>	<p>Reviewed annually. Financial Regulations.</p> <p>Current digital banking policy adequate</p>
Salaries and assoc. costs	<p>Salary paid incorrectly.</p> <p>Unpaid Tax to Inland Revenue.</p>	<p>L</p> <p>L</p>	<p>Clerks' hours and expenses check monthly by councillors before payment.</p> <p>Threshold currently not met.</p>	Existing procedure adequate.

VAT	Reclaiming/charging	L	The Council has Financial Regulations which set out the requirements.	Existing procedures adequate
Annual Return	Submit within time limits	L	Employers Annual Return is completed and submitted online within the prescribed timeframe by the Clerk. Annual Return completed and signed by the Council, submitted to internal auditor for completion. Council currently exempt from external audit.	Existing procedures adequate.
Best value accountability	Work awarded Incorrectly.	L	A procurement policy has been adopted to specify procurement process. Normal Parish Council practice would be to seek more than one quotation for substantial work to be undertaken.	Existing procedure adequate.
	Overspend on services.	M	Clerk would investigate any problems with contracts and report back to the Council.	Include when reviewing financial regulations.

ASSETS				
Subject	Risk(s) identified	H/M/L	Management/Control of Risk	Review/Assess/Revise
Park Play equipment Bench Bin Gates	Public Injury Damage Loss	M M	Park/furniture and Play equipment inspected monthly by parish councillor. Yearly independent inspection of play equipment Trees independently inspected once every 3 years. Covered by public liability insurance.	Current procedure in place adequate. Appropriate signage to be put in place when park refurbished.
Parish council noticeboard	Injury Damage Loss	L	Located to the side of public paths Public Liability Insurance in place	Existing procedures adequate

Office equipment	Staff injury Damage Loss	L	Fixed Asset Register updated as required Adequate security at Clerks home Employers' Liability Insurance in place	Existing procedures adequate
Moortown village Sign	Injury Damage Loss	L	Public liability insurance in place	Existing procedures adequate
Bus shelter	Injury Damage Loss	L	Public liability insurance in place	Existing procedures adequate
Benches	Injury Damage Loss	M	Public liability insurance in place	Existing procedures adequate

MANAGEMENT AND LIABILITY				
Subject	Risk(s) Identified	H/M/L	Management / Control	Review / Assess / Revise
Meeting location	Adequacy Health & Safety	L L	The Parish Council meeting is held in a venue considered to have appropriate facilities for the Clerk, Council members and the public.	Existing procedures adequate
Public Liability	Public Liability Risk to third party, property, or individuals	M	Suitable insurance in place. Risk assessments carried out for all Council activities	Review annually
Employer Liability	Non-compliance with employment law	L	Suitable Insurance in place. Clerk to undertake relevant training to keep knowledge up to date	Review annually

Legal liability	Legality of activities Proper and timely reporting via minutes Proper document control	M	Clerk to clarify legal position on proposals and clarify situation if necessary. Suitable Insurance in place. Retention of Documents Policy in place	Existing procedure adequate
Employees	Fraud by staff	L	Requirements of Fidelity Guarantee insurance adhered to with regards to fraud.	Existing procedures adequate.
	Health and safety	L	All employees to be provided adequate direction and safety equipment needed to undertake their roles.	Monitor H&S requirements and insurance annually.
	Absence of staff & inability to conduct council business	M	Details of passwords left in the possession of Chair. Use of NALC for support and to source Locum Clerk.	
Councillors	Having more than 3 vacancies at any one time and being inquorate	H	When a vacancy arises follow correct legal processes. Ensure appropriate action is taken to try and co-opt members onto the Council.	Annually
Freedom of Information	Policy	L	The Council has ICO Model Publication scheme in place. To date there has been no recent requests under FOI.	Monitor any requests made under FOI
	Provision	M	The Parish Council is aware that if a substantial request came in it could create many additional hours work. The Parish Council will request a fee to supplement the extra hours.	Existing procedure adequate
Data protection	Policy provision	L	The Parish Council is registered with the Information Commissioner's Office to comply with GDPR.	Ensure annual renewal of registration

Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved at full Council Meetings, including reference to the power used under the Finance section of Agenda and Finance report monthly.	Existing procedures adequate
Minutes/Agendas/ Notices Statutory Documents`	Accuracy and legality	L	Minutes and Agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting.	Existing procedures adequate.
	Business conduct	L	Agenda displayed according to legal requirements. Business conducted at Council meetings should be managed by the Chair.	Members adhere to Code of Conduct
Members interests	Conflict of interests	L	Declarations of interest by members at Council meetings as a standing order on the agenda.	Existing procedures adequate.
	Register of members interests	L	Register of members interest's forms reviewed regularly. Register of members interest's form available on Parish Council website.	Members take responsibility to update register.
Maintenance	Inferior performance of assets or amenities	L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for any repair is actioned/authorised in accordance with the correct procedures of the Parish Council. Assets are insured.	Existing procedures adequate Current playground equipment taken out of service as unsafe. Awaiting outcome of grant application

Election Costs	The need to pay for an election when seats are contested	L	Council has adequate reserves to cover the cost of an election. A budget item will be allocated each election year	Review When Necessary
Keeping Council records - Paper	Loss through theft, fire or damage	L	The Parish Council records are stored at the home of the Clerk. Records include historical correspondences, minutes, insurance, bank records. The documents are stored in a locked office	Damage (apart from fire) and theft is unlikely and so provision is adequate.
Keeping Council records - Electronic	Loss through theft, fire or damage or corruption of computer	L	The Parish Council's electronic records are stored on the Council laptop held with the Clerk at his home, on Cloud Backups of electronic data are made at regular intervals.	Existing procedures considered adequate Fire proof bag to be purchased

RISK SCHEDULE				
ITEM	FREQUENCY	LAST REVIEW	NEXT REVIEW	COMMENTS / ACTIONS
Asset Inspection: Park including furniture, gates and play equipment	Monthly by a Councillor.			Records kept securely at Clerks Address
Allotment Noticeboards	Yearly (Clerk)			
Benches/ village sign/bus stop/grit bin	Monthly by Councillor. Quarterly (Clerk)			
Parish Owned Trees				

Defibrillators	Included in park check Monthly by councillors			Information left with equipment any issues reported to WLDC with whom contract is held.
Parish Council Insurance including: Public Liability Employers Liability Fidelity Guarantee Personal Accident Fixed Assets	Annual Annual Annual Annual Annual			
Financial Matters Banking Arrangements Insurance Providers VAT Returns Budget Agreed Precept Requested Bank Reconciliation Budget Monitoring Salary Review Internal Audit Internal Controls Financial Regulations	Annually Annually Annually Annually Annually Monthly Monthly Annually Annually Annually Annually			

This policy will be reviewed annually.