

Luddington Parish Council

FINANCE AND MANAGEMENT				
Subject	Risk(s) Identified	H / M / L	Management/Control of Risk	Review/Assess/Revise
Business continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	L	All files and recent records are kept at the Clerk's home. The Clerk makes a monthly back up to a memory stick exchanged with Chair. In the event of the Clerk being indisposed the Chairman to contact WALC or a locally known Clerk	Existing procedures adequate. Review when necessary.
Precept	Adequacy of precept Precept application not submittedr	L L	The Council approves the Precept requirement annually at the December meeting as part of the full budget approval process. Reviews of expenditure against budget are conducted quarterly at the Parish Council meeting. Estimated expenditure for the next three financial years are incorporated into the budget.	Existing procedure adequate.
Financial records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations that set out the requirements Adherence to the agreed regulations is verified by the internal examiner. The annual internal audit is conducted by an accredited auditor.	Existing procedure adequate. Review the Financial Regulations when necessary.
Bank and banking	Inadequate checks Bank mistakes Loss Charges	L L L L L	Financial Regulations set out the requirements for banking, approval of cheques and reconciliation of accounts (including supporting bank statements) takes place monthly and are presented in an agreed format at each Parish Council meeting. The income and Expense report is presented on a regular basis to full council. Bank signatories are reviewed on a regular basis with at least two councillors not included to enable unbiased financial checks to take place.	Existing procedure adequate. Review the Financial Regulations when necessary and bank signatory list when necessary, especially after an AGM and an election.
Cash	Loss through theft or dishonesty	L	Financial Regulations set out the requirements. Cash received is banked promptly by the Clerk. Monthly and quarterly financial checks with bank reconciliations prevent misappropriation of cash. The Council's insurance policy has a Fidelity Guarantee.	Existing procedure adequate. Review the Financial Regulations when necessary. Ensure Fidelity Insurance is adequate.

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Reporting and auditing	Information communication Compliance	L M	A monthly financial statement is produced prior to each full Council meeting. A formal agenda item for review and approval of the statement results in the chair of Council signing it as approved. A file of approved statements is maintained for each financial year. The statement includes a full list of payments and income. Copies of the financial statement, amended to protect private data, is posted on both Parish notice boards and the web site. Regular audit internally to comply with the Fidelity Guarantee.	Existing communication procedures adequate. Quarterly Finance & Employment committee meetings have a pro forma agenda item to select 5 payments at random and check compliance with value v invoice, appropriate quotation etc thus ensuring Fidelity compliance
Direct costs Overhead expenses Debts	Goods not supplied but billed Incorrect invoicing Cheque payable incorrect	L L L L	Financial Regulations set out the requirements. At each Council meeting the monthly financial statement is presented to each councillor, specifying cheque number, value and payee. On conclusion of the meeting cheques are signed by two councillors who also initial the relevant invoice after cross checking the value and goods/service provided. The clerk also signs cheques and invoices to confirm the goods/services have been supplied and that the invoice value matches the quotation.	Existing procedure adequate. Review the Financial Regulations when necessary.
Grants and support - payable	Power to pay Authorisation of Council to pay	L	All expenditure detailed on the monthly statement includes the power by which council has the authority to act.	Existing procedure adequate.
Grants & Receivable income	Receipts of Grant & Income Allotments Parking Burials Trading rights Street cleaning payment (FoDDC)	L	A one off grant relating to maintenance of the war memorial is received annually Allotment & parking charges set by council are payable annually in April. Receipts are monitored via a spreadsheet held by the Clerk. Trading rights & Street cleaning receipts, twice per year as per contract. Burial receipts are subject to an individual column on the income and expense report and can be crosschecked via the burials register. Performance v plan outlooks include an income monitor to ensure all receipts are in order	Existing procedures adequate.
Charges - Rentals payable	Payments of leases/rentals	L	The Parish Council currently has one lease agreement covering the village green.	
Charges - Rentals receivable	Receipt of rental Insurance implication	L M	The Parish Council currently only receives rental income in the form of a wayleave..	Existing procedure adequate.

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Best value Accountability	Work awarded incorrectly Overspend on services	L M	Financial Regulations specify levels at which multiple quotes or the implementation of a tender process apply. Contractors are made aware that no deviation from original quotations will be allowed until formal approval has been made by council	Existing procedure adequate. Review Financial Regulations regularly.
Salaries and associated costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax & NI contributions to HMRC	L L L L L L	The Clerks position is salaried and paid against the appropriate spine point recommended by NALC and detailed in the contract. Payment is approved at each Council meeting when a salary payment is due. Appropriate deductions for income tax and national insurance are made at source.	Existing appointment and payment system (NALC) is adequate.
Clerk/Other workers (voluntary/casual)	Loss of Clerk Fraud Actions undertaken Health & Safety	L L L L	In the case of a sudden loss of Clerk, several local Clerks known to the Council would be approached with a view to temporary stand in activity. The replacement Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. Timely appointment of a pre-notified resignation of the existing Clerk would include a hand over period to allow basic training to take place. Maintenance of adequate reserves will enable development of new clerk through on the job training from the existing Clerk. Participation in CiLCA program essential. Temporary loss of Clerk due to illness has reasonable cover via the current insurance policy. The requirements of the Fidelity Guarantee insurance to be adhered to with regards to Fraud.	Existing procedure adequate. Purchase reference books where necessary. Membership of WALC & SLCC. Monitor insurance regularly
Councillor allowances	Councillors over-paid Income tax deduction	L	The Chairman has a budgeted annual allowance that is used if necessary for sundry items. Any expenses are claimed by presenting the relevant receipt to the Council for approval. Expenses are monitored to ensure the budget is not exceeded and expenditure reported monthly to the Council. No allowances are allocated to other Parish Councillors.	Existing procedure adequate.
Election costs	Risk of an election cost	L/M	When an election is due the Clerk will obtain an estimate of costs from SDC for a full election and an uncontested election. An annual accrual in the reserves is set to ensure that on a 4-yearly basis the estimated cost of an election in an ordinary election year can be met. Elections as a result of a casual vacancy need to be accounted for from general reserves.	Existing procedure adequate.

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VAT	Re-claiming/charging	L	Financial Regulations set out the requirements. The income and expense report has a separate line for VAT. Submissions are made annually unless a major project (play park) has been undertaken when a significant amount of vat is due. The Clerk will then process an individual claim for that amount	Existing procedure adequate
Annual return	Submit within time limits	L	Submission of all relevant HMRC (year-end & employment changes) are conducted by the Clerk. 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.	Existing procedures adequate.
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be detailed on the monthly statement and resolved and minuted at Full Parish Council Meetings.	All activities and payments minuted.
Council records - paper	Loss through: theft fire damage	L M L	Current Parish Council records are stored at the home of the Clerk and archives at the village hall. Records include historical correspondence, minute books and copies, documents for ownership of property, records such as personnel, insurance, salaries etc. Village hall records are held in metal filing cabinets (not fire proof)	Damage (apart from fire) and theft is unlikely so provision is considered to be adequate.
Council records - electronic	Loss through: Theft, fire, damage Corruption of computer	L M	The Parish Council's electronic records are stored on a computer at the Clerk's home. Back-ups of the files are taken at monthly intervals. There are two USB Memory Sticks used to back-up electronic files and which are taken to Council meetings to swap with the chair who holds until the next meeting.	Existing procedure adequate.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	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. Ensure Fidelity checks are in place.	Existing procedure adequate. Review insurance provision annually. Review of compliance.
Data protection	Policy Provision	L	The Council is registered with the Information Commissioner.	Ensure annual renewal of registration
Freedom of Information Act	Policy Provision	L M	The Council has a model publication scheme for Local Councils in place. The Council is able to request a fee for any information requested to cover the cost of consumables and the clerk's time.	Monitor and report any impacts of requests made under the Freedom of Information Act.
Meeting location	Adequacy Health & Safety	L M	The Parish Council Meetings are held at the Village Hall. The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health & Safety and comfort aspects.	Existing location adequate.

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Street Furniture, Play area equipment and Open Spaces	Loss or Damage Risk/damage to third party(ies)/property	L L	An asset register is kept up to date and insurance is held at the appropriate level for all items. Weekly checks are made by a Councillor using a pro-forma document, supplied to the clerk for review and archive. Quarterly general reviews are conducted by a councillor and reported to the Council. Annual inspection carried out by registered play inspection company.	Existing procedure adequate. Review insurance requirements annually. Prompt action on identified issues.

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LIABILITY				
Subject	Risk(s) Identified	H / M / L	Management/Control of Risk	Review/Assess/Revise
Noticeboards & Web site	Risk/damage/injury to third parties Road side safety	L L	Parish Council has two notice boards sited around the Parish. All locations have approval by relevant parties, insurance cover, inspected regularly by the Clerk. Any repairs/maintenance requirements brought to the attention of the Parish Council. Web site update by Clerk only. All relevant documentation posted on notice boards also posted on web site.	Existing procedure adequate.
Legal Powers	Illegal activity or payments Working Parties taking decisions	L L	All activity and payments made within the powers of the Parish Council (not ultra vires) and to be resolved and clearly minuted. Ensure established with clear terms of reference.	Existing procedure adequate. Monitor on a monthly basis.
Minutes/Agendas/ Notices/Statutory documents	Accuracy and legality Business conduct	L L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements. Business conducted at Council meetings should be managed by the Chair.	Existing procedure adequate. Guidance/training to Chair should be given (if required). Members to adhere to Code of Conduct.
Public Liability	Risk to third party, property or individuals	M	Insurance is in place. Risk assessments regularly carried out to comply with requirements.	Existing procedures adequate. Ensure risk assessments are carried out.
Employer Liability	Non compliance with employment law	L	Undertake adequate training and seek advice from WALC.	Existing procedures adequate.
Legal Liability	Legality of activities Proper and timely reporting via Minutes Proper document control	M L L	Clerk to clarify legal position on proposals and to seek advice if necessary. Council always receives and approves Minutes at monthly meetings. Retention of document policy in place.	Existing procedures adequate.
Members interests	Conflict of interest Register of Members interests	M M	Councillors have a duty to declare any interests at the start of the meeting. Register of Members Interest forms to be reviewed regularly by Councillors. Councillors must sign the Code of Conduct at election or on co-option.	Existing procedure adequate. Members to take responsibility to update their Register.