

Brandon Parva, Coston, Runhall & Welborne Parish Council Financial Risk Assessment

The following control systems are in place to ensure that Brandon Parva, Coston, Runhall & Welborne Parish Council is doing everything possible to protect public money from financial risk.

Finance

Risk: 1. Accounting errors due to lack of financial control

Procedures to address risk:

- 1.1 A Responsible Financial Officer (RFO) will be appointed whenever a vacancy arises. The RFO's job description to be agreed and minuted annually (as part of the appraisal process).
- 1.2 All financial documentation will be held by the RFO, e.g. cheque books, paying in books, invoices, receipts, bank statements, VAT reclaim documents and cashbook.
- 1.3 Electronic data will be backed-up to an external hard drive.
- 1.4 All authorised payments will be written and entered into the cashbook within two weeks of the meeting authorising payment.
- 1.5 All cheques to be signed having been approved at a Parish Council meeting by two of the three nominated Councillors. The two signatories authorising payment will check invoices prior to cheques being signed. Where payments are made by cheque, cheque numbers will be written on invoices.
- 1.6 Cash and cheques received will be entered into the cashbook upon receipt and banked by the RFO as soon as reasonably practicable.
- 1.7 Bank statements will be reconciled quarterly with the cashbook and reported at the next Parish Council meeting.
- 1.8 VAT will be reclaimed annually.
- 1.9 Appropriate training will be offered to the RFO as and when needs are identified.

Risk: 2. Budget overspend

Procedures to address risk:

- 2.1 A budget meeting will be held annually in January to determine the budget for the following financial year and to determine the precept to be applied for.
- 2.2 The Contract of Employment and salary of the Clerk, or any other employee, will be reviewed annually.

Risk: 3. Loss of funds due to misappropriation of public money

Procedures to address risk:

- 3.1 No expenditure will be incurred by any member of the Parish Council without the prior approval of a properly constituted Parish Council meeting.
- 3.2 All invoices will be paid on the authority of the Parish Council at a properly constituted Parish Council meeting.
- 3.3 The Clerk/RFO can not make purchases of individual items in excess of £250 without the prior (minuted) authority of the council. This amount should be reviewed annually to take account of inflation.
- 3.4 Any cheques will be signed by two councillors authorised by bank mandate, and cheque stubs to be initialled by those two councillors.
- 3.5 The Clerk will maintain a Register of Interests of all Councillors. Councillors will advise the Clerk in writing of any changes to those interests as and when they arise.
- 3.6 The RFO will make quarterly returns to HMRC to ensure that they are kept informed of monies paid to the Clerk, or any other employee.
- 3.7 Year end accounts will be prepared by the RFO for circulation to the Parish Council by mid-May following the financial year end on 31 March.
- 3.8 Appointment of Independent Internal Auditor will be reviewed following the conclusion of the internal audit.
- 3.9 No petty cash to be kept. Clerk to claim expenses at least quarterly.

Insurance

Risk: 4. Under-insurance of parish council assets

Procedures to address risk:

- 4.1 Insurance cover will be reviewed at the Annual Parish Council Meeting in May of each year to ensure adequate cover is maintained.
- 4.2 An Asset Register will be maintained by the Clerk and updated at the time assets are added or removed.

Public Liability

Risk: 5. Liability to public to provide a duty of care

Procedures to address risk:

- 5.1 Any street furniture will be checked annually to monitor and identify risks to the health and safety of the public if using these items.
- 5.2 Risk assessments for all other areas of the Council's business will be reviewed every year, or more frequently if required.

Employer's Liability

Risk: 6. Compensation Claim from Employee for Malpractice or Injury

Procedures to address risk:

- 6.1 A Contract of Employment will be issued to a new employee within 2 months of commencement of employment.
- 6.2 The job description of the employee will be reviewed at the employee's annual appraisal.
- 6.3 The appraisal will be carried out annually around the anniversary of appointment and agreed targets reported to the Council at the next council meeting.
- 6.4 Matters relating to employees will be discussed in confidence – (public and press to leave the meeting room as well as employee) and decisions minuted.
- 6.5 Appropriate training will be provided for all identified training needs necessary to carry out role.
- 6.6 Appropriate equipment to be provided to ensure that employee can carry out role effectively and safely.