

NEW BRADWELL PARISH COUNCIL

Financial Risk Assessment

Updated 18.02.22

FINANCIAL AND MANAGEMENT				
Subject	Risks Identified	H/M/L	Management control of risks	Review/Assess/Revis e
Councillors	Losing Councillor membership or having more than 6 vacancies at any one time	L	When a vacancy arises, there is a legal process to follow. If not an election year, then the co-option process can begin. The process begins with an advert, acceptance of applications, consideration of applicants and co-option vote at a Council meeting then appointment.	Existing procedures adequate.
		L	If there are more than 6 vacancies the Council becomes inquorate and the legal process of Milton Keynes Council appointing members takes place.	Procedures of another body are accurate.
Precept	Adequacy of precept	L	Regular budget reviewed by Full Council	Existing procedure adequate
	Requirement not submitted to MKC on time	L	Precept should be considered by Council before the deadline	
	Amount not received by NBPC	L	The Clerk informs the council when monies are received	
Financial Records	Inadequate Records Financial irregularities	L	The Council has Financial Regulations which set out the requirements	Existing procedure adequate. Review of Financial Regulations Annually.
		L		
Bank and Banking	Inadequate checks	L	The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. The Clerk reconciles the bank account once a month	Existing procedure adequate

	Bank Mistakes Loss Charges Loss of Signatories	L L L L	when the statement arrives, any problems, irregularities are dealt with immediately by informing the bank and awaiting their correction. Monitor the bank statements monthly. As is required by Standing orders the clerk will access internet banking sites directly and not through a search engine. Any transactions to be carried out electronically must be agreed by Full council in advance.	
Cash/Loss	Loss through dishonesty or theft Cash/Cheques are banked within 7 working days. There is no petty cash or float. This is audited by the Internal auditor annually	L	The council has Financial Regulations which set out the requirements	Existing procedure adequate
Litigation	Potential risk of legal action being taken against the Council	M	Public liability insurance covers general personal injury where claims that the Council is found to be at fault, but not spurious or frivolous claims -these cannot be insured against.	Insurance is adequate or requirements but there is still risk of other claims.
Reporting and Auditing	Information Communication Compliance	L M	A clerk's report is produced monthly and presented to the council, discussed and approved at the meeting. This report includes bank reconciliation and a breakdown of receipts and payments balanced against the bank.	Existing procedure adequate
NBPC run activities	Risk of Financial loss	L	All our activities are financed by NBPC and therefore there is no Financial risk	Existing procedure adequate. Each activity needs to be assessed on an individual basis
Grants and support payable	Power to pay Authorisation of council to pay	L	All such expenditure goes through the required council process of approval, minuted and listed accordingly if a payment is made using the S137 power of expenditure. Grant application forms have been devised to keep up to date records of applications.	Existing procedure adequate Parish councillors request S137 rules if required.
Grants – receivable	Receipts of grants	L	The Parish council currently receives grants for Boxing club and Green gym.	Existing procedures adequate
Best Value Accountability	Work awarded incorrectly Overspend on services	L M	Normal PC practice would be to seek, if possible, more than one quotation for any substantial work required	Existing procedures adequate. Include when reviewing

			to be undertaken or goods. For major contract services, formal competitive tenders would be sought. If a problem is encountered with a contract the Clerk would investigate the situation check the quotation/tender, research the problem and report to council. This is covered in Financial Regulations	Financial Regulations annually.
Salaries and associated costs	Payment of salaries	L	The Council uses an outside salary accountancy. Any increase in salary is reported to them instantly.	Existing appointment adequate
Employees	Loss of clerk	L	Reference to a continuity plan should be made in case of loss of key personnel. The requirements of the insurance to be adhered to with regards to fraud. The Clerk should be provided with relevant training reference books, access to assistance and legal advice required to undertake the role. Health and Safety issues relating to the clerk are regarding working from home and driving to/from Council meetings. The clerk's own car insurance covers travel to and from a place of work.	We currently have no procedure in place for this.
	Fraud by the clerk	L		
	Actions undertaken by the clerk	L		Membership of the SLCC
	Health and Safety	L		Monitor working conditions safety requirements and insurance regularly
Councillor Allowances	Councillors overpaid. Income tax deducted	Negative	No allowances are allocated to Parish councillors	No procedure required.
Election costs	Risk of an election cost	H	Risk is higher in an election year. When a scheduled election is due the Clerk will obtain an estimate of costs from MKC. There are no measures which can be adopted to minimise the risk of having elections as this is a democratic process.	Council should consider saving each year to cover all costs.
VAT		L	The council has Financial regulations which set out the requirements. VAT is claimed regularly	Existing procedures adequate
Employers annual return	Paying and accounting for NI and Tax of employees salaries	Negative	Outside payroll accountancy firm used	Existing procedures adequate
Audit – Internal	Audit. Completion within time limit	L	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	Existing procedures adequate
	Completion/Submission within time limit	L	Annual Return is completed and signed by the Council, submitted to the internal auditor for completion and	Existing procedures adequate

			signing then checked and sent to the External auditor within the time limit	
Legal powers	Illegal activity or payments	L	All activity and payments within the power of the PC to be resolved and minuted at full Parish council meetings including a reference to the power used, as per the Financial regulations	Existing procedures adequate
Minutes/Agendas / Notices/Statutory documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the clerk and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to the legal requirements.	Existing procedures adequate Guidance/training to the chair should be given (if required).
	Business conduct	L	Business conducted at council meetings should be managed by the Chair.	Members to adhere to Code of Conduct
Members interest	Conflict of Interest	L	Although not a requirement, the declaring of interests by members at a meeting should be an obvious process to remind councillors of their duty and should remain on the agenda.	Existing procedures adequate
	Register of Members interests	M	Register of Members interest forms should be reviewed regularly by councillors	Members take responsibility to update their register
Insurance	Adequacy	L	An annual review ie the time of 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.	Existing procedures adequate
	Cost Compliance	L L		Review insurance provision annually
Assets	Loss or damage	L	An annual review of assets is undertaken for insurance provision, storage and maintenance provisions	Asset register to be updated annually
	Risk/damage to third party (ies) property	L		
Maintenance	Poor performance if assets or amenities	L	All assets owned by the Parish council are regularly reviewed and maintained. All repairs and relevant expenditure for these repairs are actioned/authorised in accordance with the correct procedures of the Parish council. All assets are insured and reviewed annually.	Existing procedure adequate
	Risk to third parties	L		
Meeting location	Adequacy Health and Safety	L	The Parish council meetings are held in the Parish Office. Remote meetings being held in lockdown as agreed in THE LOCAL AUTHORITIES AND POLICE AND	Existing location adequate

			CRIME PANELS (CORONAVIRUS)(FLEXIBILITY OF LOCAL AUTHORITY AND POLICE AND CRIME PANEL MEETINGS) (ENGLAND AND WALES) REGULATIONS 2020	
Council Records – electronic	Loss through: Theft, fire, damage corruption of computer	L M	Council electronic records are stored on the Clerks computer.	Need to have back up in place

Reviewed at meeting held on.....

Signed by: