

CHURT PARISH COUNCIL – FINANCIAL RISK ASSESSMENT 2020-21

*This document has been produced to enable Churt Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.
Adopted and Minuted at the Churt PC Meeting 16 September 2020*

FINANCE AND MANAGEMENT			
Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
Business continuity	<ul style="list-style-type: none"> • Council not able to continue its business due to an unexpected circumstance or catastrophic event. (L) 	<ul style="list-style-type: none"> • Computer data and records backed up • In the event of the Clerk being indisposed the Chairman to contact ... • Primary meeting place at Churt Pavilion. • Emergency plan adopted 	Existing procedures adequate. Review annually.
Precept	<ul style="list-style-type: none"> • Adequacy of precept (L) • Requirements not submitted to WBC (L) • Amount not received by due date (L) 	<ul style="list-style-type: none"> • The Council reviews the Precept requirement annually at its December meeting and reviews the budget update information, including actual position and projected position to year-end and estimated figures for the next financial year. With this information the Council then agrees the amounts set for the specific budget headings for the following year, the total of which is resolved to be the precept amount to be requested from Waverley Borough Council. This figure is submitted by the Clerk in writing to WBC. 	Existing procedure adequate.
Financial records	<ul style="list-style-type: none"> • Inadequate records (L) • Financial irregularities (L) 	<ul style="list-style-type: none"> • The Council has Financial Regulations that set out the requirements. 	Existing procedure adequate. Review the Financial Regulations at the start of each new Council term of office or when necessary.
Bank and banking	<ul style="list-style-type: none"> • Inadequate checks (L) • Bank mistakes (L) • Loss (L) • Charges (L) 	<ul style="list-style-type: none"> • The Council has Financial Regulations that set out the requirements for banking, cheques and reconciliation of accounts. • If the bank makes an error in processing cheques, these would be discovered when the Clerk reconciles the bank accounts once a month on receipt of statements, and would be dealt with immediately by informing the bank and awaiting their correction. • The Clerk reviews the Council's banking arrangements regularly. 	Existing procedure adequate. Review the Financial Regulations annually and update bank signatory list when necessary. Monitor the bank statements monthly.
Cash/debit card	<ul style="list-style-type: none"> • Loss through theft or dishonesty (L) • Abuse of debit card (L) 	<ul style="list-style-type: none"> • The Council does not currently deal with any petty cash • Debit card can be used by 2 people, the Clerk and Chairman, all transactions countersigned ASAP and reviewed monthly 	Review the Financial Regulations if cash policy changes. Monitor bank statements monthly
Reporting and auditing	<ul style="list-style-type: none"> • Information communication (L) • Compliance (L) 	<ul style="list-style-type: none"> • A list of payments, receipts and cheques drawn to date is provided at full Council meetings. • Council should regularly audit internally 	Existing communication procedures adequate.

FINANCE AND MANAGEMENT

Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
Direct costs Overhead expenses Debts	<ul style="list-style-type: none"> • Goods not supplied but billed (L) • Incorrect invoicing (L) • Cheque payable incorrect (L) • Loss of stock (L) • Unpaid invoices (L) 	<ul style="list-style-type: none"> • The Council has Financial Regulations that set out the requirements. • At each Council meeting the list of invoices awaiting approval is distributed to Councillors, and considered. Council approves the list of requests for payment. The Council has minimal stocks, these are checked and monitored by the Clerk. 	<p>Existing procedure adequate. Review the Financial Regulations when necessary.</p>
Grants and support – payable	<ul style="list-style-type: none"> • Power to pay (L) • Authorisation of Council to pay (L) 	<ul style="list-style-type: none"> • All such expenditure goes through the required Council process of approval, minuted and listed 	<p>Existing procedure adequate.</p>
Grants – receivable	<ul style="list-style-type: none"> • Receipts of Grant (L) 	<ul style="list-style-type: none"> • The Parish Council receives a regular grant from WBC annually paid in April . Receipt is reported to the Council at the next meeting of the Council. Any one-off grants awarded would come with terms and conditions to be satisfied. 	<p>Existing procedures adequate.</p>
Charges - Rentals payable	<ul style="list-style-type: none"> • Payments of leases/rentals (L) 	<ul style="list-style-type: none"> • Negative. The Parish Council does not currently have any lease or rental agreements. 	
Charges - Rentals receivable	<ul style="list-style-type: none"> • Non-receipt of rental (L) • Insurance implication (L) 	<ul style="list-style-type: none"> • New terms and conditions for each sports club are agreed annually, Invoiced annually, the clubs hold their own insurance and risk assessments. • 	<p>Existing procedure adequate. Review fees annually. Ensure payment and copy of insurance document received.</p>
Best value Accountability	<ul style="list-style-type: none"> • Work awarded incorrectly (L) • Overspend on services (L) 	<ul style="list-style-type: none"> • As per Financial Regulations normal Parish Council practice would be to seek more than one quotation for any substantial work required to be undertaken or goods purchased. For major contract services (ie over £1,000 in value) at least three 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. 	<p>Existing procedure adequate. Review Financial Regulations regularly.</p>
Salaries and associated costs	<ul style="list-style-type: none"> • Salary paid incorrectly (L) • Wrong hours paid (L) • Wrong rate paid (L) • False employee (L) • Wrong deductions of NI or Tax (L) • Unpaid Tax & NI contributions to 	<ul style="list-style-type: none"> • . Salary rates are assessed annually by the Council and applied on 1st April each year. Salary is paid by cheque each month for a set number of hours and reported to the Council. The Tax and NI contributions due are reported to the Council and signed off quarterly. The Tax and NI is worked out using an Inland Revenue computer programme updated annually. All Tax and NI payments are submitted in the Inland Revenue Annual Return. Maxwell's manage our day to day PAYE. 	<p>Existing appointment and payment system is adequate.</p>

FINANCE AND MANAGEMENT

Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
	HMRC (L)		
Clerk and other paid employees	<ul style="list-style-type: none"> • Loss of Clerk (L) • Fraud (L) • Actions undertaken (L) • Health & Safety (L) 	<ul style="list-style-type: none"> • The requirements of the insurance policy 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. 	Existing procedure adequate. Purchase reference books where necessary. Membership of the SLCC and NALC. Monitor working conditions, safety requirements and insurance regularly.
Contractors	<ul style="list-style-type: none"> • Tendering procedures (L) • H&S (L) 	<ul style="list-style-type: none"> • Council Financial Regulations apply. • Works/goods/services above value of £1000 - at least three quotations required, unless a valid reason is given and Minuted. • Works/goods/services below value of £1000 a single tender acceptable. • Council to approve preferred bidder. • Contractors to carry their own public liability insurance. 	Existing procedures adequate
Volunteers	<ul style="list-style-type: none"> • Health & Safety (L) 	<ul style="list-style-type: none"> • Volunteers working under Council auspices are covered by the Council's third party liability insurance policy. • High-visibility waistcoats, litter-pickers etc provided by Council as necessary. 	Existing procedures adequate.
Councillor allowances	<ul style="list-style-type: none"> • Councillors over-paid (L) 	<ul style="list-style-type: none"> • Councillors have a small budgeted annual allowance that can be used if necessary in fulfilling roles, training, travel. In practice, expenditure is usually made through the Clerk. 	Existing procedure adequate.
Election costs	<ul style="list-style-type: none"> • Election cost (L) 	<ul style="list-style-type: none"> • Risk is higher in an election year. There are no measures which can be adopted to minimise the risk of having a contested election as this is a democratic process. 	Accrue annual budget allocation in anticipation of costs arising in a future election year.
VAT	<ul style="list-style-type: none"> • Re-claiming/charging (L) 	<ul style="list-style-type: none"> • The Council has Financial Regulations that set out the requirements. 	Existing procedure adequate
Annual return	<ul style="list-style-type: none"> • Submit within time limits (L) 	<ul style="list-style-type: none"> • Employer's Annual Return is completed and submitted online and to the Inland Revenue within the prescribed time frame 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	<ul style="list-style-type: none"> • Illegal activity or payments (L) 	<ul style="list-style-type: none"> • All activity and payments within the powers of the Parish Council to be resolved and minuted at Full Parish Council Meetings. 	All activities and payments Minuted and reviewed monthly.

FINANCE AND MANAGEMENT

Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
Council records - paper	<ul style="list-style-type: none"> Loss through: <ul style="list-style-type: none"> Theft (L) Fire (L) Damage (L) 	<ul style="list-style-type: none"> Recent Parish Council records are stored in the Clerk's Office in a metal cabinet (not fireproof). Records include correspondence, minute books and copies, documents for ownership of property, deeds/leases etc, records such as personnel, insurance, salaries etc. Older records are stored in the pavilion in a locked cupboard and any of possible historical interest, not required for immediate reference, are transferred to Surrey Resource Information Service. Financial accounts are kept for 6 years and then destroyed. 	Existing procedures adequate.
Council records - electronic	<ul style="list-style-type: none"> Loss through: <ul style="list-style-type: none"> Theft, fire, damage (L) Corruption of computer (M) 	<ul style="list-style-type: none"> The Parish Council's electronic records are stored on the Council's computer at the Clerk's Office. Back-ups are stored in the Cloud. . 	Existing procedure adequate.
Insurance	<ul style="list-style-type: none"> Adequacy (L) Cost (L) Compliance (L) Fidelity Guarantee (L) 	<ul style="list-style-type: none"> A 3-year review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employer's and employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place. . 	Existing procedure adequate. Review insurance provision annually. Review of compliance.
Data protection	<ul style="list-style-type: none"> Compliance post 25 May 2018 	<ul style="list-style-type: none"> Attended 2 GDPR courses Review all new GDPR requirements Majority already in place 	Review ongoing as to new policies to ensure compliance
Freedom of Information Act	Policy (L)	<ul style="list-style-type: none"> The Council has a model publication scheme for Local Councils in place, published 2009 as detailed on the Council website. 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 FOI Act.
Meeting location	<ul style="list-style-type: none"> Adequacy (L) Health & Safety (L) 	<ul style="list-style-type: none"> Parish Council and Committee Meetings are held at the Churt pavilion. There are 3 keyholders (Clerk, Chairman and Vice Chairman). The premises and the facilities are considered to be of a high standard for the Clerk, Councillors and Public in the context of H&S and comfort. 	Existing location adequate.

ASSETS

Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
Community Building	<ul style="list-style-type: none"> • Building damage/destruction (L) 	<ul style="list-style-type: none"> • Churt pavilion is a Council building • Building insurance maintained and reviewed annually. 	Existing procedures adequate.
Parish Office and associated facilities	<ul style="list-style-type: none"> • Security (L) • Burglary/theft (L) • Fire (L) • Electrical faults (L) • Damage to internal fixtures and fittings (L) • Damage to office equipment (L) • Office equipment becomes unserviceable (L) • Health & Safety (L) 	<ul style="list-style-type: none"> • Pavilion fire extinguishers to meet statutory requirements in place and inspected annually. • Electrical equipment inspected annually (PAT). • All office equipment itemised in Asset Register. • First aid kit kept in pavilion • An (alarmed) defibrillator (AED) is located on an external wall next to the entrance to the village hall.Serviced June 2019. • Computer and printer based at Clerk's home, in alarmed house when empty 	Existing procedures adequate.
Churt Recreation Ground	<ul style="list-style-type: none"> • Falling trees or branches (L) • Illegal occupation by travellers (L) 	<ul style="list-style-type: none"> • Tree inspection by a qualified arborist undertaken every three years with a subsequent rolling programme of preventive and remedial work as required. Includes children's playground. • External damage to be reported to Parish Council. 	Tree safety surveys to be undertaken at intervals of no greater than 3 years. Existing procedures adequate
Pavilion	<ul style="list-style-type: none"> • Security (L) • External deterioration/damage (L) • Internal deterioration/damage (L) • Fire (L) • Electrical safety (L) • Health & Safety (L) • Problems with disabled access (L) 	<ul style="list-style-type: none"> • Respective sports clubs responsible for building security when in use. • Clubs to report any external work required to Council. • Internal damage to be reported to Clerk. • Fire extinguishers and emergency lighting maintained by Council. • Electrical safety maintained by Council. • H&S risk assessments responsibility of individual club and Council. 	Existing procedures adequate.
Children's playground	<ul style="list-style-type: none"> • Loss or Damage (L) • Health & Safety (L) • Damage to third parties/property (L) 	<ul style="list-style-type: none"> • An asset register is kept up to date and insurance is held at the appropriate level for all items. • Weekly inspection of the playground equipment made by Councillors and annual inspection carried out by RoSPA. • Trees in the playground subject to inspection and remedial work as above. • Public liability insurance held by Parish Council. 	Existing procedure adequate. Review insurance requirements annually.
Redhearn Green	<ul style="list-style-type: none"> • Falling trees or branches (L) • Illegal occupation by travellers (L) • 	<ul style="list-style-type: none"> • Tree inspection by a qualified arborist undertaken every three years with a subsequent rolling programme of preventive and remedial work as required. • RG regularly inspected and any remedial action taken. 	Tree safety surveys to be undertaken at intervals of no greater than 3 years.
Noticeboards	<ul style="list-style-type: none"> • Damage/injury to third parties (L) 	<ul style="list-style-type: none"> • 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. 	Existing procedure adequate. Replaced summer 2019

ASSETS			
Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
War Memorial and piers	<ul style="list-style-type: none"> • Damage (vehicle/vandalism) (L) • Physical deterioration (L) • Weed growth in surroundings (L) • Damage/injury to third parties (L) 	<ul style="list-style-type: none"> • Regular inspection. Structure cleaned and repaired when required • Surroundings weeded and replanted by CHAPS quarterly, • Covered by insurance policy. 	Existing procedures adequate. Review annually Refurbishment summer 2019

LIABILITY			
Subject	Risk(s) identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise
Legal Powers	<ul style="list-style-type: none"> • Illegal activity or payments (L) 	<ul style="list-style-type: none"> • All activity and payments made within the powers of the Parish Council (not ultra vires) and to be resolved and clearly minuted. 	Existing procedure adequate.
Minutes/Agendas/ Notices/Statutory documents	<ul style="list-style-type: none"> • Accuracy and legality (L) • Business conduct (L) 	<ul style="list-style-type: none"> • Minutes and agendas 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 on Parish Council website according to the legal requirements. • Business conducted at Council meetings managed by the Chair in accordance with Standing Orders. • Members to adhere to Code of Conduct. 	Existing procedure adequate. Standing Orders reviewed at start of each new Council term of office and amended if required..
Public Liability	<ul style="list-style-type: none"> • Risk to third party, property or individuals (L) 	<ul style="list-style-type: none"> • Insurance is in place. • Risk assessments carried out regularly. Insurance is in place. 	Existing procedures adequate. Ensure risk assessments are carried out.
Employer Liability	<ul style="list-style-type: none"> • Non-compliance with employment law (L) 		Existing procedures adequate.
Legal Liability	<ul style="list-style-type: none"> • Legality of activities (L) • Proper and timely reporting via Minutes (L) • Proper document control (L) 	<ul style="list-style-type: none"> • Council always receives and approves Minutes at monthly meetings. • Retention of document policy in place. 	Existing procedures adequate.

COUNCILLORS' PROPIETY			
Subject	Risk(s) Identified Probability (L/M/H)	Management/Control of Risk	Review/Assess/Revise

Members interests	<ul style="list-style-type: none"> • Conflict of interest (L) • Register of Members interests (L) 	<ul style="list-style-type: none"> • Councillors have a duty to declare any interests at the start of every formal meeting. • Register of Member’s Interest forms submitted to Waverley Borough Council at the start of every Council term of office. 	<p>Existing procedure adequate. Members to take responsibility to review their declarations regularly and update their Register accordingly. New councillors to be provided with a copy of ‘The Good Councillor’s Guide’.</p>
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Reviewed by the Council and signed by the Chairman

16 September 2020

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