Colne Engaine Parish Council Financial Risk Assessment

Subject	Risks Identified	H/M/L	Management control of risks	Review/Assess/Revise
Councillors	Losing Councillor or having more than 4 vacancies	L	When a vacancy arises there is a legal process to follow. This either leads to a Bye-election or into a co-option process. An election is out of the Parish Council's control. The co-option process begins with an advert, acceptance of applications, consideration of applicants and co-option vote at a Council meeting then appointment. If there are more than 4 vacancies at any one time on the Council it becomes inquorate. The legal process of Braintree District Council appointing members takes place.	Existing procedures adequate Procedures of BDC adequate.
Precept	Inadequate Precept Precept not paid by Braintree District Council	L	To determine the precept required, the Clerk examines the current financial year's accounts together with the projected year-end accounts, and considers all expenditure and income required for the next financial year, then presents this to Council to enable Council to make an informed decision and agree the Precept. The public are then notified of this via a meeting Agenda The Clerk then submits the Precept form to Braintree District Council. The Clerk/RFO checks the bank account regularly between April/May annually to ensure the half yearly precept payment has been made by BDC and notifies them if not.	Existing procedures adequate
Financial Regulations	Inadequate records Financial irregularities	L	The Council has Financial regulations which set out the requirements	Existing procedures adequate and Financial regulations approved annually

Bank & Banking	Inadequate checks Bank mistakes	L	The Council has Financial Regulations which set out the requirements for banking, payments, cheques and reconciliation of accounts. The RFO reconciles the bank accounts at the beginning of each month, any problems/irregularities are dealt with immediately by informing the bank and awaiting their correction.	Existing procedures adequate
	Loss of signatories	L	Council would choose replacements and RFO would arrange for amended bank mandate.	Existing procedures adequate
	On line security	L	As is required by Standing Orders: the clerk will access internet banking sites directly and not via a search engine. A sealed dated envelope is held by the Chairman containing the password and PIN. This may only be opened in the presence of 2 other Councillors and then reported to full Council.	Existing procedures adequate
Electronic Payments	Payments made without Council Approval	M	Any transactions to be carried out electronically must be agreed by Full Council in advance. Each authorised signatory will have A Barclay Bank secure PINsentry with an exclusive password. Payments to be made has been set up by the RFO and One of the three authorised signatories will need to confirm the payment by way of their own PINsentry.	

Employees	Loss of key personnel	L	The Clerks role would be advertised and another appointment made. In the meantime the assistance of neighbouring Parish clerks would be sought. If that failed the assistance of Essex Association of Local Councils would be sought.	Existing procedures adequate
			All files and recent records are kept at the Clerks home.	Existing procedures
	Inability to access Parish Council records	L	Computer records are backed up on a regular basis and the backup discs are kept in a locked metal box away from the main building. In addition invoices and details of all payments	adequate
		L	are available to all Members on Google Drive.	Procedures adequate in case of need
			In event of the Clerk being unavailable due to unexpected or tragic circumstances and records need to be accessed contact should first be made with his wife if she is unavailable due to the same circumstances contact should be made with his son Dr Thomas Rootsey on 07528 399904	
		L	The requirements of the Fidelity Guarantee to be adhered to.	Existing policy adequate.
	Fraud by staff			
Insurance	Public Liability (Statutory)	L	Continue existing cover (£10m)	Existing policy adequate.
	Employers Liability (statutory) Including Corporate Manslaughter and Corporate Homicide Act 2007		Continue existing cover (£10m) Insured against legal costs and expenses incurred	
	Money		Continue existing cover (crossed cheque £25,000 cash (£2,500)	
	Fidelity Guarantee		Continue existing cover (£250k)	
	Officials Indemnity		Continue existing cover (£250k)	
	Libel & Slander		Continue existing cover (£250k)	
	Property including All Risks on machinery and street furniture		Continue existing cover	
	Personal Accident			

	Legal Expenses		Continue existing cover Death or permanent disablement (£50k) Continue existing cover (£100k any one claim)	
Support and Advice	Inability to resolve problems	L	Continue membership of SLCC, EALC, NALC, and with service agreement via Rialtas for financial management software	Existing procedures adequate
Play equipment	Loss of use of play equipment and possible claims for injury	L	Continue with regular maintenance and safety checks and take unsafe equipment out of service until repairs completed. Continue with annual RoSPA checks and act upon recommendations.	Existing procedures and insurance cover adequate.
Accounting	Illegal expenditure Non-standard and or non-compliant records kept Non-compliance with statutory deadlines for completion/approval/submission of accounts and other financial returns. No-compliance with internal audit requirements.	L L L L	Continue to ensure that all expenditure within legal powers contained in Standing Orders and Financial Regulations. Continue to ensure adequate, complete and statutory financial records are kept Continue to ensure that all accounts and returns are completed and submitted by the deadlines. Appoint internal auditor and continue practice of annual review.	
Contracts & Tenders	Work awarded incorrectly. Overspend on services.	L	Seek tenders for contracts in adequate time before end of current contract. Tenders to be opened by Chairman and Clerk and reported to full Council meeting only when all have been received.	Current procedures adequate.
Payroll	loss of data due to system fault	L	Continue to back up data on laptop and on HMRC Basic Tools	Existing procedures adequate

Recreation Ground	Loss of use of equipment and possible claims for injury	L	Continue with regular safety checks and take unsafe equipment out of service until repairs completed. Continue with annual safety checks by RoSPA regulated contractor and act on advice.	Existing procedures adequate
Agendas, minutes and meetings	Inaccurate and/or illegal	L	Minutes and agendas are produced in the prescribed manner by the Clerk and adhere to legal requirements. Agendas are published on the notice board and the website in accordance with legal requirements. Minutes are approved and signed at the next full Council meeting. All meetings are managed by the Chairman or his/her appointed deputy	Existing procedures adequate
Members Interests	Conflict of interests. Accurate Register of Members interests.	L	Register of Members interests must be held by the Clerk and reviewed regularly. Members must register any interest in an item on the agenda	Existing procedures adequate
VAT	Failure to reclaim and/or claim incorrectly	L	The Council has Financial Regulations which set out the requirements. VAT is reclaimed annually at the financial year end and is checked by the internal auditor.	Existing procedures adequate

Readopted at Annual Meeting of the Parish Council 14th October 2021

Signed

Chairman……

Clerk & RFO……..