



Harpsden Parish Council

Risk Assessment and Review of Financial and Non-Financial Controls as agreed September 2012

Reviewed: November 2023

No.	Internal Controls	Risks identified /potential for improvement	Action required
1	Governance		
1.1	Standing Orders		
1.1.1	Standing Orders have been adopted setting out the Council's constitution and procedures. They are reviewed at least every four years. The NALC published model Standing Orders were adapted for and formally adopted by Council in September 2014.	Review every four years.	Standing Orders were reviewed at a meeting on 19 th July 2021. Min ref. 3033 A review is conducted every 4 years. Next review November 2024.
1.2	Financial Regulations		
1.2.1	The Clerk is appointed Responsible Financial Officer with the duties detailed in the Financial Regulations. Model Financial Regulations were adapted for and formally adopted by Council on 19 th November 2012.	Review annually.	Review annually. Last reviewed January 2023 minute ref. 3035. Several proposed changes were noted. They will be reviewed again in Jan 2024.
1.3	Measures to prevent fraud and corruption		
1.3.1	The Council adopted a new Code of Conduct as recommended by SODC. The New Code was agreed by SODC in May 2022	None – all Councillors have seen and new Code adopted	The new Code of Conduct was adopted by Council on 26 th September 2022 Minute ref. 4010. The Code was adopted again SEPT 2023 Min ref. 4081
1.3.2	All Councillors sign a Declaration of Acceptance of Office on election or co-option	None, all received	None
1.3.3	All Councillors complete a Register of Interests and provide updated information as appropriate. Copies are held with the Council, with SODC's monitoring officer and a link is available on the PC website.	SODC released new Register of Interests forms in August 2022 which all Council have signed and returned.	None
1.3.4	There is an agenda item for Councillor Declaration of Interests on Council meeting agendas. Any conflicts of interest are dealt with appropriately	None	None

	at the Council meeting		
1.4	Insurable risks		
1.4.1	Public Liability Insurance is held in the sum of £12 million to protect the Council from claims by third parties Zurich Municipal ref YLL-2720442073	Considered sufficient	On advice from Internal Auditor Council renewed policy for three years in May 2022 Minute ref. 3093. The next review will be in Review again March 2025
1.4.2	Employers Liability insurance held in the sum of £10 million Zurich Municipal ref YLL-2720442073	Considered sufficient	Policy to be reviewed May 2022 for three years. Min ref 3093. Next review March 2025
1.4.3	Injury to public or Council members or Clerk during Council meetings	Covered by Village Hall insurance	None
1.5	Employment controls		
1.5.1	Clerk is the only employee. New contract signed 11 th July 2018. Salary to be reviewed annually.	Salary to be reviewed annually.	To comply with Financial Regulations the review will now happen in October of each year to run for the next calendar year.
1.5.2	Standing Orders outline Clerk's role which includes that of Responsible Financial Officer	None	None
1.6	External Audit annual governance statement requirements		
1.6.1	Statement of accounts prepared by Clerk is formally approved by Council as soon as possible after year end	None	None Annual Accounting Statement Min Ref. 4058
1.6.2	Notice of audit displayed on Parish notice board to allow electors to inspect accounts as required by Accounts and Audit Regulations	None	None
1.6.3	Appropriate steps are taken to deal with matters raised in report from external auditor through agenda items at Council meetings	The EA has not been completed as of November 2023.	Clerk to ensure all changes are made.
1.6.4	Appropriate steps are taken to deal with matters raised in report from the internal auditor through agenda items at Council meetings	Internal Audit phase one will be discussed at meeting in Nov 2023	The New IA has suggested a simple plan to deal with HMRC. Clerk

			implementing
2	Financial Controls		
2.1	Bookkeeping		
2.1.1	Cashbook maintained and updated regularly by Clerk	None	None
2.1.2	Cash book is balanced against bank statements to ensure arithmetically correct on a monthly basis . Bank reconciliations carried out on bi-monthly basis and presented at Council meetings	None	Bank Statements are reconciled every two months to coincide with meetings of Parish Council
2.2	Payment Controls		
2.2.1	A schedule of payments for approval is prepared for the Council meetings with the invoices also available for inspection. Approval of payments is recorded in the minutes	Chairman to initial schedule of payments once approved as per Standing Orders	Chairman to initial schedule of payments at every Council meeting.
2.2.2	Cheques are signed by any 2 of the 3 approved signatories and the stubs initialled by 2 of the 3 signatories. Invoices initialled by 2 of the 3 signatories. BACS payments now made by Clerk once 2 councillors have approved payment and initialled invoices. Online payments to be approved by Councillor on basis of advice from IA.	None	None
2.2.3	S.137 payments are sought for separate approval and statutory powers used for payment are recorded	None	None
2.2.4	Two signatories initial cheque stub and invoice	Minimal	None
2.2.5	Buffer held in community account		Buffer now held in community account
2.3	Budgetary Controls		
2.3.1	Clerk sets a budget after discussion with Council and budget is approved by Council		Both Budget and CIL budget to be agreed at November meeting.
2.3.2	Clerk reports actual expenditure vs budget six times a year	Reported at Council meetings six times a year	None
2.4	Payroll Controls		
2.4.1	New Internal Auditor agreed that Clerk did not have to register with HMRC due to not meeting the limit for Tax. Advised a simple payroll		Clerk will run simple payroll on EXCEL spreadsheet monthly, starting

	could be produced monthly on EXCEL.		November 2023.
2.4.2	Payment of Clerk's salary is on the schedule of payments for approval	Minimal risk of Clerk being paid incorrect salary	The Clerks Salary is now paid automatically. Given Section 4.4 the annual review of the Clerk's salary will in future take place in October to take effect in January of the following year. Therefore, the Clerk's next salary review would take place in October 2023.
2.5	Chairman's Expenses		
2.5.1	A sum is included in the precept for Chairman's expenses	None	None
2.6	Asset Controls		
2.6.1	Asset register needs to be held as the Council has assets, the Jubilee bench, the framed maps, the defibrillator and the noticeboard. Receipts are kept on file with Clerk. Insurance valuation updates annually.	The new IA advised that the Asset Register should reflect investments of a certain type.	Clerk to bring this up at November Meeting and update at the usual time which is Jan 2024
2.7	Theft of money		
2.7.1	No cash handled so no risk of cash being stolen	None	None
2.7.2	Clerk needs two signatures to approve all payments so risk of theft of Council money by Clerk minimal. Fidelity Guarantee in the sum of £250,000 Zurich Municipal ref YLL-2720442073	New IA advised that sum of £250,000 is insufficient given the CIL money held.	Council, on advice of IA, renewed policy for 3 years in May 2022. Min ref. 3093. Clerk is going to renegotiate coverage with Insurance Company.
2.8	Income		
2.8.1	Precept paid directly into Council's bank account. CIL money also paid directly. CIL money accounted for separately in Bank Reconciliations	Minimal risk of either the precept not being submitted or paid by District Council. CIL money can only be used for certain purposes & separate treatment in reconciliations means there is no	2023 Precept money was paid into the bank account in two amounts of £5,500 in March and September.

		confusion.	
2.8.2	Budget vs actual expenditure updated at each Council meeting	Minimal risk of precept being insufficient	
2.9	VAT		
2.9.1	VAT reclaimed within time limits on an annual basis as soon as possible after year end	None	Clerk to diarise
3	Other Controls		
3.1	Loss of Clerk's services should not be felt if clear outline of Clerk's work indicated to Chairman	Minimal risk	Clerk to ensure Chairman made aware of work undertaken
3.2	Negligible risk of loss of computer data as Clerk's data backed up via the internet on External Hard Drive	Ensure Chairman & Council knows how to access Clerk's computer files	New computer will be able to be accessed by Council should clerk leave or fall ill.

Completed by: Anne Marie Scanlon

Date of Risk Assessment: 10th November 2023

Date of approval of Risk Assessment: 20th November 2023

I confirm that all the existing control measures in the above table are in place and that all the proposed control measures to minimise any identified risks will be implemented.

Signed: _____ Position: Clerk

Date: 20th November 2023

Signed on behalf of the Council by the Chairman:
