



Harpsden Parish Council

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

Reviewed: November 2020

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.	Review at least every four years ie November 2022
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 2020 minute ref. 2922 (v) Review Jan 2021
1.3	Measures to prevent fraud and corruption		
1.3.1	The Council adopted a new Code of Conduct as recommended by SODC at a meeting on 18 th June 2012 with effect from 1 st July 2012.	None – all Councillors have seen and new Code adopted	None
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.	None, all received	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 at the Council meeting	None	None
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	Policy to be reviewed annually Reviewed May 2020 (Meeting Minute 2945). Review again March 2021
1.4.2	Employers Liability insurance held in	Considered sufficient	Policy to be

	the sum of £10 million Zurich Municipal ref YLL-2720442073		reviewed annually Reviewed May 2020 Meeting Min 2959. Next review March 2021
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.	Salary review was deferred for two year. Next Review July 2021 (for three years)
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
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	There were no matters arising.	None
1.6.4	Appropriate steps are taken to deal with matters raised in report from the internal auditor through agenda items at Council meetings	To date there have been no matters arising as audit still underway	The previous audit in March 2020 found no problems
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	None
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	Chairman to initial schedule of payments once approved as per	Chairman to initial schedule of payments at every Council meeting.

	recorded in the minutes	Standing Orders	With Covid & Virtual Meetings the Schedule of Payments is agreed at the meeting and minuted as usual
2.2.2	Cheques are signed by any 2 of the 4 approved signatories and the stubs initialled by 2 of the 4 signatories. Invoices initialled by 2 of the 4 signatories. BACS payments now made by Clerk once 2 councillors have approved payment and initialled invoices.	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		Budget discussion minuted
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	Clerk's salary is no longer subject to PAYE as advised by HMRC Nov 2018		
2.4.2	Payment of Clerk's salary is on the schedule of payments for approval	Minimal risk of Clerk being paid incorrect salary	None
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.	Asset register now established.	Visual inspection of assets annually for signs of damage. Clerk to diarise.
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	Minimal risk	Insurance policy to be reviewed annually
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 confusion.	Diary note to check when paid.
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 knows how to access Clerk's computer files	

Completed by: Anne Marie Scanlon

Date of Risk Assessment: 4th November 2020

Date of approval of Risk Assessment: 16th November 2020

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: AM SCANLON

Position: Clerk

Date: 16th November 2020

Signed on behalf of the Council by the Chairman:

_____Kester George_____