Latton Parish Council – Finance and General Risk Management Policy

Topic	Risk	H/M/L	Management/Control of Risk	Review/Assess/Revise
Business Continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	L	Business Continuity Plan agreed and reviewed annually.	
Precept Determination	Fit for purpose	L	Councillors receive at each meeting statements of how the accounts are performing against budget. This provides simple analysis and tracking and when budgets are formed (November) the Clerk works with the Council to determine the budget for the next year. In December the precept calculations are received and the budget finalised.	Process used has been established and operates effectively
Precept Income	Income not received from WC or reduced from January's projected amounts	L	Reserves value is one year's operating as a minimum.	Procedure set to mitigate this risk
Financial Records	Financial irregularities	L	The Council has Financial Regulations, which set out requirements for banking, cheques and reconciliation of accounts.	
	Bank errors or Bank losses	L	The Clerk is a bank signatory. Two Councillor signatures required per cheque and Clerk. Clerk checks bank statements monthly against approved expenditure for internet banking purposes	
	Internet fraud	L		
Cash	Loss through theft or dishonesty	L	Council requirements are set out in the Financial Regulations. Cash received is banked within 3 banking days if possible. No petty cash or float held.	Existing procedures are adequate and finance regulations are reviewed annually.
Reporting and Auditing	Information Communicated	L	Statement includes, expenditure against budget and a breakdown of receipts and payments.	Existing communication procedures adequate.
	Auditing and Governance	M	Council undertakes internal and external independent audits.	Council appoints an independent internal Auditor annually
Cost Overheads	Services not supplied but invoiced	L	Committee approves all invoices for payment and only approves when goods supplied or work completed	Procedures proven to be satisfactory over many

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Bad Debt	Incorrect invoicing	L	List of invoices prepared for approval by Councillors every month.	Procedures proven to be satisfactory over many years. Financial Regulations check annually
	Cheque payable incorrect	L	Two Councillors check each invoice against the cheque book and associated paperwork and initials related cheque stubs.	
	Unpaid invoices	L	Unpaid Council invoices are pursued and if practical payment obtained in advance.	
Payment Approval	Payments authorised by Chairman and Vice-Chairman	L	All payment transactions made following the Finance Regulations process and are presented monthly at Council meeting for review in a due payments list	Procedures proven to be satisfactory over many years. Financial Regulations check annually
Grants Received	Grants are applied for against specified projects	L	Grant applications are prepared by the Clerk and approved by the Council. Grants normally have conditions of use attached, these are checked and monitored by the Clerk.	The application process determines the procedure to be followed
Achieving Best Value	Multiple quotes for larger projects	L	Financial Regulations dictate when multiple quotes are required. For significant spend projects contracts awarded through sealed bid tenders. Professional contractors used to project manage the contractor. Project specification produced for significant tenders as part of the tender process.	Existing procedures checked annually.
Salaries and Expenses	Salaries incorrect, wrong hourly rate or hours worked	L	Salaries assessed annually and recommendations made to Council. Figures incorporated in budget calculations. Hours worked checked and approved by Chairman	Existing procedures checked annually.
	Fraud or incorrect claims	L	Expenses must be approved. Mileage claims paid on completion of claim form and receipts provided. Mileage claim rates match those recommended by NALC.	
	Wrong deductions of NI or Tax Unpaid Tax & NI contributions to Inland Revenue		Use of payroll company	

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Employees	Loss of key staff or long-term illness, resignation or misconduct. Health and Safety training requirements.	M	Clerk considered only critical staff member. Temporary replacements for sickness sought using WALC. Vacancy roles filled using the recruitment process.	The WALC advice and recommendation sought. Recommended candidates approved by Council
	Task specific training needed.	L	Training sources and budget available	
Election Costs	Risk of unexpected election	L	Council precepts for election costs each year. WC monitoring office advice sought annually on potential election costs	Reserves used to meet election costs if necessary
VAT	Re-claiming/charging	L	Requirements set out in the Financial Regulations	Existing procedures checked annually
Annual Return	Completed and submitted in time limits	L	Annual Return is completed. Approved by Council and signed before sending to the External Auditor within time limit.	Existing procedures adequate
Legal Powers	Illegal activity or decision making	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council Meetings, Clerk to ensure appropriate powers are available.	Decision made form part of the minutes
Agendas, Minutes & significant reports	Accuracy and legal	L	Minutes and agenda are produced by the Clerk to defined standards and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements as a minimum. Council meetings managed by a Chairman.	Standing Orders followed and adequate.
Members Interests	Conflict of Interests and register of Interests	L	Standing Orders require declaration of interests at each Parish Council meeting by members. Register of Members Interest in the public domain and should be reviewed annually by Councillors.	Existing procedures are adequate. Members reminded to review their entry. Clerk responsible for ensuring new Councillors register their interests
Insurance	Meets needs and competitive	L	Reviewed annually prior to policy renewal. All associated liability covered. Policy updated as new assets added. Clerks cover adequate and current.	

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Data Protection	Data protection rules followed	L	Clerk registered for data protection and reviewed annually	
Freedom of Information	Policy availability	L	FoI policy available in the public domain. Policy reviewed annually	

Recreation & Play Areas

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Assets	Loss or damage Risk of damage or injury to third parties	L	Annual review of assets undertaken.	Adequate inspections undertaken
Asset Management	Premises or other assets being closed or unavailable for use by the Council or community due to poor or dangerous condition	L	An Asset Register produced and reserves in place such that assets can be replaced at the end of their natural life	Asset management inventory and plan
Recreation Areas	Playing Field	L	Areas regularly inspected by Councillors	Adequate inspections undertaken
	Jubilee Garden	L		
Children's Play Areas	Play Equipment, Picnic Bench and Waste Bin	L	Regular checks carried out by Councillors. Play equipment inspected annually by professional contractor	Adequate inspections undertaken
Notice Boards	Risk of Damage or injury to third parties. Location suitability	L	Notice board located at c419 and Croft Lane. All covered by insurance policy and inspected regularly	Adequate inspections undertaken
Street Furniture	Risk of Damage or injury to third parties. Location suitability	L	Street furniture covered by insurance policy and inspected regularly by Councillors. Maintenance needs recorded through Council meetings	Adequate inspections undertaken
Meeting Location	Adequate provision and H & S checked	L M	Parish Council meetings held in the village hall	
Council Records – paper	Loss through fire or theft	L	Electronic records held on computer and in cloud with Office 365 Archive of minutes with Local Authority	
Trees	Trees or branches posing a safety problem to the public where unrestrictive right of access is available	M	Annual inspection and register of trees. Reporting procedure for the public. Purchase of expertise as required for problem areas.	Review regularly

Miscellaneous

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Poor reputation of the Council	The work of the Council is not understood leading to negative feedback from parishioners and dissatisfaction with the way services are carried out	L	Regular use of communication channels including web site and social media to explain the Council's activities.	Communication Plan and Use of Social Media
Poor stakeholder relationships	Perceived or real breakdown in communications between tiers of local government or between the Parish Council and other public providers	L	Parish Council to understand the services provided by others and to discuss areas of joint interest periodically. The Parish Council to respond to consultations to put its point of view across adequately.	Communication Plan
Lack of vision	An over-emphasis on the management and operation of Council services may lead to a poor performance with regard to forward planning which may prevent partnerships being formed with other public and private supplier or even the loss of grants.	M	The Parish Council to review its Parish Plan. Ensure reviewed regularly and apply community engagement for feedback	Review regularly
Lack of training or time to undertake the role of the Parish Council	Inadequate knowledge or specialist ability may lead to poor decisions	L	Adequate training budget available. Encourage training for Councillors and staff	Maintain a training record and review annually.

Adopted by Latton Parish Council May 2023