

BROMPTON RALPH PARISH COUNCIL Financial Risk Management Assessment

Risk Area	Risk Identified	Risk Level High (H), Medium (M), Low (L)	Management of risk	Action Required
Section one: Areas where there may be scope to use insurance to help manage risk				
Property and contents owned by the council	Loss or damage	M	An up-to-date register of assets and investments.	Reviewed annually at the Annual Parish Council Meeting and when any material changes occur.
Damage to third party property or individuals	Public liability	M	Property maintenance and insurance cover	Reviewed annually at the Annual Parish Council Meeting and when any material changes occur. All assets currently listed with the insurers.
Consequential loss of income or the need to provide essential services following critical damage, loss, or non-performance by a third party	Public liability	M	Annual review of risk and the adequacy of cover. Adequate reserves and provision for contingency in budget setting.	Level of Insurance Cover reviewed when appropriate
Loss of cash or money through theft or dishonesty	Fidelity guarantee	L	No cash is held. Monthly bank reconciliations regularly checked at meetings against the bank statement. Cheques require two signatories and are signed at the meeting at which they are agreed. Use of accounting software designed for Parish Councils is in place.	Level of Insurance Cover reviewed when appropriate

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Legal liability because of asset ownership	Public liability	M	Property maintenance and insurance cover	Level of Insurance Cover reviewed at Annual Parish Meeting or at time of renewal and assets added when acquired
Section two: Working with others to help manage risk				
Security for vulnerable assets, amenities or equipment	Loss or damage	M	An up-to-date register of assets. Regular inspections required	Inspections to be undertaken and recorded
The provision of services being carried out under agency/partnership agreements with principal authorities	Standing orders and financial regulations dealing with the awarding of contracts	L	Currently not applicable.	Clerk and Councillors to be aware of changes that may occur and inform the Council as necessary.
Banking arrangements, including borrowing or lending	Detect and deter fraud or corruption	L	No cash is held. Monthly bank reconciliations regularly checked at meetings against the bank statement. Cheques require two signatories and are signed at the meeting in which they are agreed. Any payments made outside of a meeting are reported at the next meeting. Use of accounting software designed for Parish Councils. There is currently no borrowing or lending activity undertaken.	Financial Regulations reviewed at the Annual Parish Council meeting and at the time of Internal Audit.
Ad hoc provision of amenities for events to local community groups	Public Liability	L		Ask for hirer's insurance and risk assessments
Vehicle or equipment lease or hire	Not currently applicable	L	Not currently applicable	No current action required

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Parish Council Land	Use of External contractors for maintenance and volunteers	M	Check that external contractors have valid insurance and risk assessments in place. Volunteers to only operate where a risk assessment is in place and insurance cover. Training of volunteers where required.	Follow Financial Regulations and obtain 3 quotes if possible.
Professional services	Failure to follow Standing orders and Financial regs for the awarding of contracts or obtaining services.	L	Standing Orders and Financial Regulations to be followed. To obtain 3 quotes wherever possible. To consult with the County Association for advice if appropriate.	
Section three: Self-managed risk				
Proper financial records	In accordance with statutory requirements	L	The use of proper accounting software designed for Parish Councils (Scribe Accounts) which is internet/cloud based. Information presented regularly to Councillors at meetings. Completion of the Annual AGAR and submission of in a timely manner	Annual Internal Audit undertaken
Business activities	Ensuring that they are within the legal powers of councils	L	Currently not applicable. The Parish Council does not currently have the General Power of Competence.	Regular reference to legislation and guidance. The Clerk to advise on legislation and seek advice when necessary. Use of LGA 1972 Section 137 when/where appropriate.
Borrowing	Complying with restrictions	L	Currently not applicable Follow Financial Regulations	None necessary

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Employment law and Inland Revenue regulations	Ensuring that requirements are met	L	All employees (the Clerk) are paid in accordance with current legislation, PAYE, and registered with the Pensions Regulator. HMRC Tools currently used to pay salary of Clerk. Production of Payslips as standard	Reviewed at the time of Internal Audit and by Council regularly at meetings.
VAT	Ensuring that requirements are met under HMRC regulations	L	Clerk to recover VAT annually using form VAT 126 due to the low amounts involved.	Reviewed at the time of Internal Audit and by Council through reporting of all financial activity at meetings.
Annual precept	Ensuring adequacy within sound budgeting arrangement	L	Precept request is a decision of full council following approval of a considered budget. The Clerk submits precept request.	IA review and budget published on web on. Meeting documents published with the agenda on the website.
Monitoring	Standing Orders and Financial Regulations.	L	Meeting schedule and extraordinary meetings as necessary. Budget process starts several months before agreeing the budget. Monitoring of expenditure against the budget and bank reconciliations.	Annually at Internal Audit. Regularly through the meeting schedule.
Grants	Ensuring proper use of funds granted to local community bodies under specific powers, s137	L	All requests to be considered by full council. The use or allocation of money under LGA S137 set by the government is used accordingly within prescribed guidelines.	Use of S137 to be properly recorded in the minutes and in financial records. Reviewed at the time of Internal Audit.

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Council minutes	Failure of proper, timely and accurate reporting of council business in the minutes	L	Minutes approved at the next council meeting. Any changes in the minutes to made according to the Standing Orders. The minutes are an official record of the business transacted by the Council.	Posted on the council's website for public to view with full agenda packs as per Transparency Code. Reviewed at time of Internal Audit.
Rights of inspection	Exercise of Public Rights - annual	L	Inspection of the accounts in accordance with the Annual Governance and Accountability Return (AGAR). The full notice to be placed on the website with the dates and contact details to facilitate the right of inspection.	Rights of inspection reviewed at the time of Internal Audit. Notice of Inspection document also placed on the parish council's noticeboard.
Document control	To follow proper practices	L	Minutes currently held by the Clerk. All other data to be held according to current/correct guidelines. Personal information will only be held for as long as is necessary and will be deleted.	Policies to be adopted and published as appropriate. Compliance with GDPR as standard. Clerk has undertaken training in GDPR. Historical minutes to be placed at the County Archive.

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Register of Members' Interests and Gifts and Hospitality	In place, complete, accurate and up to date	L	Councillors are responsible for maintaining their Register of Member's Interest and to inform the Monitoring Officer of any changes. Clerk to ensure ROI are correctly displayed on the overseeing authority's website and linked to the Parish Council's own website.	Reviewed regularly by the Clerk and during Internal Audit. Check that the links to the overseeing council's website work correctly. Councillors to undertake Code of Conduct training.
Compliance with Transparency Code	The Parish Council is governed by the Transparency Code for Smaller Authorities under £25,000.00 as set out in the Local Audit and Accountability Act 2014	L	The parish council publishes all agendas, meeting documents and minutes on the website in accordance with the code. Agendas also displayed on the noticeboard. Financial information according to the code is also published. The website meets all accessibility requirements.	Keep up to date with current legislation and any changes that occur. Check website and noticeboard regularly.

Approved Meeting 29th February 2024 Agenda Item 5d.

Review Dates: Annual Parish Meeting 23rd May 2024 Agenda Item 6.ix; Meeting 15th May 2025 Agenda Item 9.ix

Date of Next Planned Review May 2026