

EAST LULWORTH PARISH COUNCIL: RISK MANAGEMENT

Risk assessment of the Parish Council activities year ending 31st March 2023

Area	Risk	Level	Controls
Assets	Protection of fixed assets	M	Council's assets are covered by insurance. Insurers informed when new assets purchased/obtained. Review register and insurance annually. Published on website.
Precept	Not submitted	L	Full Minute – Clerk follow up. Minutes published on website.
	Not paid by the Unitary Council	L	Confirm receipt
	Adequacy of precept	H	Quarterly review of budget to actual. Reports to Cllrs and on website.
Finance	Loss of cash through theft or dishonesty	L	Cash handling is avoided, but where appropriate controls are in place. Fidelity guarantee insurance and reviewed annually. Minutes.
	Financial records	L	Clerk check regularly and internal audit review. Budget reports to Council. Reports to Cllrs and on website.
	Financial controls	M	Monthly reconciliation prepared by Clerk. Quarterly budget reports to Parish Councillors. Two signatories on cheques. Internal and external audit. Financial regulations adopted, adhered to and reviewed.
	Fidelity Guarantee	M	Check in January when precept submitted that the fidelity guarantee is above the expected reserves at year end plus first half of the precept.
	Comply with Customs and Excise Regulations	M	VAT claims calculated by Clerk. Note 3 year time limit. Last submission 31/03/2015.
	Sound budgeting to underlie annual precept	M	Parish Council receive detailed budget in January. Precept derived directly from this. Expenditure against budget reported to Parish Council quarterly.
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis.
	Cheque payable is excessive or to wrong party	M	Councillors check - Signatory initials Stub and Voucher
Audit	Accounts not independently checked.	M	Competent and Independent internal auditor appointed and this is reviewed annually for effectiveness. Scope of audit covers internal controls, audit is planned to meet deadline for submission of Annual Return.

Audit	Reports	M	Once completed the internal audit report is considered at the next meeting and minuted. Ensure any issues raised by internal or external audit are addressed.
Reserves - General.	Adequacy	L	Consider at Budget setting.
Reserves -Earmarked	Adequacy	L	Consider at Budget and review of final accounts.RFO opinion.
	Unidentified Earmarked or Contingent liability	L	Review minutes.
Salaries	Wrong salary paid	M	Check salary to minute
	Comply with Inland Revenue requirements.	M	Obtain letter from Inland Revenue and keep on file. Clerk's salary coded out due to PAYE of other employment, letter on file.
Liability	Risk to third party, property or individuals	M	Insurance in place – reviewed annually.
Councillors propriety	Registers of Interests	M	Register of interest completed and updated as needed.
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers. Clerk to clarify legal position on any new proposal with DAPTC. Legal advice to be sought where necessary.
Members interests	Conflict of interest and Gifts and hospitality	M	Declarations of interest to be documented/ minuted and any conflict addressed as appropriate. Gifts and hospitality received over £25 reported to Dorset Council. Council resolved to delegate dispensations to the Clerk but only if the transaction of business would be impeded as a quorum cannot be achieved.
Data	Loss of data	M	Data backed up regularly. Copy kept out of office.
Clerk	Loss of Clerk	H	Councillor cannot act as paid Clerk, Appoint new Clerk as soon as possible. Previous council experience or CiLCA qualified desirable.
	Fraud	L	Insurance in place - Fidelity guarantee value appropriately set. Councillor checks invoices and cheques for correct amount and payee.

Signed by Clerk:.....

Date:.....

Signed by Chairman:.....

Date:.....