

HARLING PARISH COUNCIL
Financial Risk Assessment
For Year ending 31 March 2022

Introduction

The Accounts and Audit Regulations (1996, 2003 and 2006) require all local councils to carry out an annual assessment of the financial risks within the organisation. The Parish Council is expected to identify any actions it considers necessary to minimise those risks.

The following table, prepared by the Responsible Finance Officer, attempts to identify the risks involved and recommends the necessary actions. Possible Parish Council actions are shown in **Bold/italics**:

The current insurer is- through Gallagher. The policy renewal date is 1st June 2022.

Financial Area	Risk	Recommendation
Insurance	Public Liability (statutory)	Cover £10m for any one event
Insurance	Employers Liability (statutory)	Cover £10m for any one occurrence
Insurance	Hirers' Liability/Indemnity	Cover now £5m
Insurance	Libel and Slander by Councillor or Clerk	Cover now £500,000 for any one period of insurance
Insurance	Officials Indemnity	Employee and Members covered £500,000
Insurance	Money	Money in transit £1,000, money on premises in safe £1,000, money on premises not in safe £1,000, non-negotiable money limit £250,000. Excess £250 each claim.
Insurance	Fidelity Guarantee	All Members and Employees £250,000 – Monitor amount of bank account and reserves held and maintain sufficient cover amount of reserve each year.
Insurance	Personal Accident	Cover is now £1m per person and/or accident. Temp disablement £500 per week. Death in service £100,000.
Insurance	Commercial Legal Protection	Cover now is £100,000 for both Legal, and Internet and Email
Insurance	Property	Schedule valid and checked by Clerk
Insurance	Cover not maintained as required	Continue to review annually
Insurance	Loss of revenue No claims bonus Business interruption	£10,000 12 months indemnity period not covered Increase cost of working £10,000 12 months indemnity period

Financial Area	Risk	Recommendation
Payroll	Loss of data on PC due to system fault	Back up data on bi-monthly basis Continue to use HM Customs and Revenue software (free) Back up Rialtas software after each update Continue to regularly obtain up to date versions at each budget and tax year
Payroll	Loss of services of Parish Clerk or casual staff	Immediately advertise any vacancy (if permanent loss) and request help from remaining employees/councillors to cover temporary loss
Administration	Payment arrangements	Continue with requirement to report all payments to Parish Council for approval Invoices presented for payment are checked by a member of the Council. Requirement for 2 member signatories to initial Payment Schedule. Record on Minutes the amount on payments schedule. Previous month's payments are checked against the schedule and bank statement and initialled by member.
Administration	Reconciliation	At least a quarterly bank reconciliation
Administration	Agency advice	Continue with memberships of Norfolk Parish Training Service , National Allotment Society, BRAAM and SLCC
Cemetery	Loss of adequate space	Not yet an issue
Cemetery	Memorial Safety	<i>Currently looking at inspection programme for headstones</i>
Cemetery	Increase in net expenditure	Review fees structure annually.
Play Areas	Loss of use of play equipment	Continue with regular maintenance and play area safety checks and take unsafe equipment out of service until repairs are carried out.
Precept	Annual precept not the result of proper detailed consideration	Continue to commence preparation of budget in November of each year Continue to present budget for Parish Council approval by no later than January each year.
Precept	Inadequate monitoring of performance	Continue with monthly budget monitoring report and other reports provided by RFO
Precept	Illegal expenditure	Continue to ensure that all expenditure is within legal powers. Review and refer to adopted Financial Regulations and Standing Orders

Financial Area	Risk	Recommendation
Accounting	Non-standard and/or non-compliant records kept	Continue to require adequate, complete and statutory financial records and accounts
Accounting	Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns	Continue to ensure that all accounts and returns are completed and submitted by the deadlines
Accounting	Non-compliance with internal audit requirements	Continue to appoint internal auditor to audit accounts on at least a yearly basis
Contracts	Ensure continued value for money coupled with continuity of work	Approve the practice of seeking tenders for over £25,000. Advertising in local press and issuing specifications and tender documents to contractors expressing an interest. Tenders to be opened in the presence of at least one Member and Clerk and reported to next available Council meeting Seek to obtain 3 quotes for large expenditure generally
Banking	On-line banking fraud, scams etc	Continue to make use of recognised internet protection software and security procedures. Install updates at all times when prompted.
Borrowings	Refer to loans and credit cards wording in the Financial Regulations	Purchases made on debit card to be presented on the payments schedule monthly. Reconciliations carried out at least quarterly. No loans are in progress at this time.

Agreed by Harling Parish Council at the Annual Parish Council Meeting held on:24th May 2022

