



# Friston Parish Council Risk Analysis

| Topic                                     | Identified Risk                                               | Risk Level<br>H,M,L | Management of Risk                                                                                                                                                                                         | Staff Action                         |
|-------------------------------------------|---------------------------------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <b>Precept</b>                            | Not determined by Council                                     | L                   | Full minute in Budget Meeting                                                                                                                                                                              | Diary                                |
|                                           | Not Submitted                                                 | L                   | Full minute                                                                                                                                                                                                | Diary                                |
|                                           | Not Received                                                  | L                   | RFO to confirm receipt                                                                                                                                                                                     | Diary                                |
|                                           | Insufficient to cover expenditure                             | L                   | Review of actual/expected to budget at every meeting                                                                                                                                                       | Financial Controls                   |
| <b>Other Income</b>                       | Cash Handling                                                 | L                   | Avoid cash handling if possible but where necessary adequate controls are in place                                                                                                                         | Member to review documented controls |
|                                           | Cash Banking                                                  | L                   | Monthly Bank reconciliations                                                                                                                                                                               | Member to verify reconciliations.    |
|                                           | From Allotments                                               | M                   | Check register of allotment holders to invoices. Confirm all invoices have been issued and paid.                                                                                                           | Member to verify                     |
| <b>Grants</b>                             | Claims procedure                                              | M                   | Clerk/RFO check as required and application minuted                                                                                                                                                        | Diary                                |
|                                           | Receipt of Grant when due                                     | M                   | Clerk/RFO check as required and receipt minuted.                                                                                                                                                           | Diary                                |
| <b>Internal Controls</b>                  | Cllrs to check RFO workings                                   | M                   | Chairman to check and sign monthly bank reconciliations.<br>Signatories to check cheque matches invoice.<br>All expenditure to be full Council approved.<br>Summary of accounts sent to all Cllrs monthly. | Members to action and verify         |
| <b>Salaries</b>                           | Wrong salary/hours/rate paid                                  | M                   | Clerk salary to minute. Check hours and rates to contract prior to payment                                                                                                                                 | Member to verify                     |
|                                           | Wrong deductions – NI and Income Tax                          | L                   | PAYE calculations outsourced                                                                                                                                                                               | Member to verify                     |
| <b>Direct Costs and Overhead expenses</b> | Goods not supplied to Council                                 | L                   | Follow up on all orders                                                                                                                                                                                    | Approval check                       |
|                                           | Invoice incorrectly calculated or recorded                    | L                   | Check arithmetic on invoices and perform bank reconciliations on monthly basis                                                                                                                             | Member to verify                     |
|                                           | Cheque payable is excessive or to wrong party                 | L                   | Signatory initials stub and invoice.                                                                                                                                                                       | Member to verify                     |
|                                           |                                                               |                     |                                                                                                                                                                                                            |                                      |
| <b>Grants and support</b>                 | No power to pay or no evidence of agreement of council to pay | M                   | Minute council agreement with the power used to authorise payment                                                                                                                                          | Member verify                        |
|                                           | Conditions agreed                                             | L                   | Agree and document any reasonable conditions                                                                                                                                                               | RFO check                            |
| <b>Election Costs</b>                     | Invoice at agreed rate                                        | L                   | RFO check and consider budget                                                                                                                                                                              | RFO verify                           |
| <b>VAT</b>                                | VAT analysis                                                  | M                   | All items in cash book lists                                                                                                                                                                               | RFO verify                           |
|                                           | Charged on purchases                                          | L                   | All items in cash book lists                                                                                                                                                                               | RFO verify                           |
|                                           | Claimed within time limits                                    | L                   | As not VAT registered, the time limit is in excess of 1 year.                                                                                                                                              | RFO verify                           |
| <b>Reserves – general</b>                 | Adequacy of reserves                                          | L                   | Consider at budget setting                                                                                                                                                                                 | RFO opinion with member input        |



# Friston Parish Council Risk Analysis

|                                       |                                                                                 |   |                                                                                                                                                                                                                                                                                                        |                               |
|---------------------------------------|---------------------------------------------------------------------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| <b>Reserves – earmarked</b>           | Adequacy                                                                        | L | Consider at budget and review of final accounts                                                                                                                                                                                                                                                        | RFO Opinion with Member input |
|                                       | Unidentified earmarked or contingent liability                                  | L | Review minutes                                                                                                                                                                                                                                                                                         | RFO/Member view               |
| <b>Assets</b>                         | Loss or Damage or similar                                                       | M | Annual inspection, update insurance and asset registers                                                                                                                                                                                                                                                | Diary                         |
|                                       | Risk or damage to third party property or individuals                           | M | Review adequacy of public liability insurance                                                                                                                                                                                                                                                          | Diary                         |
|                                       | Damage or injury caused by the playground and sports equipment                  | L | Annual inspection by RoSPA and weekly inspections documented and actions carried out within an appropriate timescale                                                                                                                                                                                   | Member to carry out checks    |
|                                       | Injury or Damage caused by the maintenance of the Traffic calming system        | L | The work is carried off the road however all volunteers who maintain the system should <ul style="list-style-type: none"> <li>• wear hi-vis jackets</li> <li>• be instructed by an experienced volunteer initially</li> <li>• be protected by a parked vehicle with activated hazard lights</li> </ul> | Member to Verify              |
| <b>Staff</b>                          | Loss of Clerk                                                                   | L | Risk monitored and managed as appropriate                                                                                                                                                                                                                                                              | Member view                   |
|                                       | Fraud by Clerk                                                                  | L | Fidelity guarantee value appropriately set                                                                                                                                                                                                                                                             | Council to review annually    |
| <b>Loss</b>                           | Consequential loss due to critical damage or third party performance            | L | Review adequacy of insurance cover                                                                                                                                                                                                                                                                     | Diary                         |
| <b>Maintenance</b>                    | Reduced value of assets or amenities – loss of income such as allotment site    | M | Annual maintenance inspection.                                                                                                                                                                                                                                                                         | Diary                         |
| <b>Legal Powers</b>                   | Illegal activity or payment                                                     | H | Educate Council as to their Legal Powers                                                                                                                                                                                                                                                               | Diary                         |
| <b>Financial and computer records</b> | Inadequate records and unsaved computer records                                 | L | RFO to check regularly & internal audit review. Automatic data backup in place                                                                                                                                                                                                                         | Diary                         |
|                                       | Loss of records due to theft, fire or flood                                     | L | Archived in cloud storage                                                                                                                                                                                                                                                                              | Clerk action                  |
| <b>Minutes</b>                        | Accurate and legal                                                              | L | Review and sign off at following meetings                                                                                                                                                                                                                                                              | Diary                         |
| <b>Members Interests</b>              | Conflict of interest                                                            | M | Declarations of interest to be minuted and any conflict addressed as appropriate.                                                                                                                                                                                                                      | Diary                         |
| <b>Members liability</b>              | Legal proceedings brought against a member of council due to acts or omissions. | L | Arrange insurance cover to indemnify them when acting as a representative.                                                                                                                                                                                                                             | Council to review annually    |

Reviewed and Adopted on 18<sup>th</sup> Feb 2018

Signed by Chairman

*Michael W. Copli*