



Financial Risk Assessment

1. Introduction

- 1.1 The Council has carried out an annual assessment of the financial risks it is exposed to and identified any actions it considers necessary to minimise those risks.
- 1.2 It was RESOLVED at a meeting of Linton Parish Council, on 14/09/2020 to adopt the following financial risk assessment.

2. Financial Risk Assessment

Service Area	Risk	Control
Assets		
Property <i>(as identified in Asset Register)</i>	Risk of deterioration/ damage to property	Maintain insurance policy to include: - Public liability insurance (£10m) - Property damage <i>(as detailed below)</i> Review Asset Register annually. Implement risk assessment strategy. Undertake identified maintenance work.
Finance		
Accounting	Non-standard and/or non-compliant records.	Accounts computerised and set up to meet statutory requirements. Kept up to date by RFO. Financial report presented by RFO at every meeting of the Council. Once per year cashbook checked by appointed Councillor.
	Non-compliance with statutory deadlines for external audit.	Ensure that all accounts and returns are completed and submitted by the deadlines. Annual accounts formally approved by Council at meeting in May. Annual Audit submitted after annual internal audit, and before 30 June.
	Non-compliance with internal audit requirements.	Appoint internal auditor to carry out checks in accordance with financial manual Governance and Accountability for Smaller Authorities in England. Consider any internal auditor recommendations at Council meeting.
	Non-compliance with VAT regulations	VAT claims calculated by RFO and claimed when necessary. Internal auditor to provide double check
	Non-compliance with Inland Revenue requirements	HMRC advice. Internal & external auditor checks.

Financial controls	Unauthorised payments/ payment arrangements	Follow adopted Financial Regulations: <ul style="list-style-type: none"> - 2 Councillors to sign cheques - Signatories to initial cheque stubs - Signatories to initial invoices - RFO to initial/countersign stub Due to small number of Council meetings the RFO is authorised to pay cheques for previously approved expenditure in between meetings (<i>Resolution: Council Meeting 22/9/11: 09/11-8.1</i>). All payments reported at next meeting. All other payments to be approved by resolution of council.
	Reconciliation	Bank reconciliation to be carried out on the receipt of each statement and reported to next meeting of Council
	Petty Cash	No petty cash system is operated. Costs incurred by clerk in regard to Council administration are paid by approval at Council meeting on proof of receipts.
	Banking and Bank Mandate	Banking arrangements and mandate reviewed annually.
Budgeting/ Precept	Annual precept not the result of proper detailed consideration.	Budget produced annually and precept derived directly from this.
	Inadequate monitoring of performance.	Budget monitored against expenditure and considered by council twice per year.
	Illegal expenditure.	Continue to ensure that all expenditure is within legal powers. Clerk clarifies position on any new proposal. Advice of YLCA/ SLCC sought if necessary.
Contracts	Ensure continued value for money coupled with continuity of work.	Follow adopted guidelines for contracts as stated in Council Financial Regulations.
	Undertaking work for the PC	Contractors must have public liability insurance. Council must see these documents before work commences
	Council on its own property	Insurance.Meet relevant H & S requirements
Liability/ Insurance	Review	Insurance provision reviewed annually in May (min in brackets)
	Public Liability (statutory)	Continue existing cover (£10m)
	Employers Liability (statutory)	Continue existing cover (£10m)
	Money	Continue existing cover (£250K)
	Employee Dishonesty	Continue existing cover (£150K)
	Property	Maintain insurance policy to include property damage* *Some physical assets not specified on insurance policy due to di minimus value. Review property cover annually.
	Loss of revenue	Not covered.
	Officials Indemnity	Continue with existing cover (£500K)
	Libel & Slander	Continue with existing cover (£500K)
	Personal Accident	Currently covered.
Payroll	Loss of data on PC due to system fault.	Continue to back up data on fortnightly basis.
	Loss of services of employee.	Immediately advertise any vacancy. See below for record storage and recovery.

Administration		
Council records	Below standard reporting via the minutes	Council meets 6/7 times per year, and receives and approves minutes. Computerised minutes kept in loose-leaf file (signed, initialled and dated by chair following confirmation and approval).
	Storage of council minutes and legal documents.	All records computerised and kept at clerk's home office (backed-up on external data storage fortnightly). Current files (inc minute file) kept at clerk's home. Archive files/minutes kept in secure storage at village institute. Access controlled by clerk. Chairman to hold duplicate key.
	Loss of data on PC due to system failure.	Continue to back up data on fortnightly basis.
Councillor propriety	Register of Interests	Code of Conduct adopted June 2012 Register of Interests completed by all Councillors and copy held by clerk. Declarations of interest recorded at every meeting

3. Review

Review of Financial Risk Assessment to be carried out on annual basis.

Date for next renewal:

Chairman: Date:

Responsible Finance Officer: Date: