Cowfold Parish Council – Financial Risk Assessment

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.

Subject	Risk (s) Identified	High, Medium or Low	Management / Control of Risk	Review/Assess/ Revise
Precept	Adequacy of precept for the Council to carry out its Statutory duties	L	A sound budget is built, giving consideration for current and future costs. With this information the Finance Committee prepare a budget for the following financial year. The precept amount is approved at a Parish Council Meeting. The Precept requirement letter is then sent to Horsham District Council prior to the deadline and confirmation of receipt is requested.	Existing procedure is adequate
Financial Regulations	Not adhering to policy and procedures as set out in the Financial Regulations	L	The Clerk/RFO and the Council follow the Model NALC approved Financial Regulations which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and the Council.	New Model Financial Regulations adopted October 2024
Standing Orders	Not adhering to policy and procedures as set out in the Standing Orders	L	The Clerk/RFO and the Council follow the Model NALC approved Standing Orders which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and the Council	New Model Standing Orders adopted November 2024
Bank records and banking Electronic Payments	Financial Errors Loss through theft and dishonesty Incorrect payment made	L M	The Parish Council reconcile the bank statements monthly using Rialtas Accounting package. A list of all payments made from the previous month is provided to Councillors and are subsequently ratified at the following monthly meeting and minuted as such. The Council is also covered by a Fidelity Guarantee of £250,000 within its annual insurance policy Parish Council funds are held with Lloyds Bank. The Council uses dual authentication whereby the Clerk/RFO creates payments online against invoices received and a Councillor authorises the payment having checked the invoice properly. The month-end reconciliation is undertaken by a different Councillor.	Current procedure adequate Current procedure adequate Current procedure adequate
Financial / Acount Records	Inadequate Records	L	The Clerk/RFO compiles all paperwork relating to monthly income and expenditure in hard copy and also saved onto the hard drive of the laptop.	Current procedure adequate

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Cash	Loss or theft through dishonesty	L	No petty cash is held by the Clerk/RFO or Council Members. Any sundry items are to be purchased using the Council Debit Card as per procedure outlined in Financial Regulations.	Current procedure adequate
Debit Card	Incorrect use	M	Use of the Debit Card is restricted to the Clerk in line with Financial Regulations 9.1. Records of its use is recorded in the cashbook and included within the list of payments to be ratified at the next meeting	Current procedure adequate
Borrowing	Ability to repay loans	L	The Clerk/RFO ensures adequacy of precept to cover existing loan repayments as part of the annual budgeting process. Section 12 of Financial Regulations to be adhered to.	Current procedure adequate.
Grants awarded to Council	Not receiving grant funding when successfully applied for	L	The Clerk/RFO to ensure that all grant payments are made to the Council according to the terms of the grant and at the correct time, following up with the grantee if monies not received.	All reviewed annually
Grants awarded by Council	Not following the grant claims procedure Grant payments	L L	The Clerk/RFO ensures that the grant policy is adhered to and that all applicants have access to the grants policy. The Clerk/RFO ensure all annual grants are budgeted for and a schedule of such payments kept for audit purposes.	All reviewed annually All reviewed annually
Best Value	Work awarded incorrectly	L	All procurement made following Section 5 of the Financial Regulations	Current procedure adequate
Invoices	Goods not supplied as billed Incorrect invoicing Unpaid invoices	L L L	Invoices are only paid after the services or goods are received to the Council's satisfaction. All orders for goods and services are confirmed in writing by the Clerk/RFO, to agree all costs involved. Any unpaid invoices (mainly for hall hire) are chased up as part of monthly bank reconciliation.	Current procedure adequate Current procedure adequate Current procedure adequate
Salaries	Salaries and expenses not paid correctly Incorrect Tax & NI deductions	L L	Cowfold Parish Council has engaged Sigma Payroll Services to undertake all salary, tax, National Insurance and Pension Contribution calculations. These are emailed to the Clerk/RFO monthly with payments ratified at the following monthly meeting.	Current procedure adequate

	Pension Contributions	L		
Subject	**Risk (s) Identified**	**High, Medium or Low**	**Management / Control of Risk**	**Review/Assess/ Revise**
Data Protection	Non-compliance of Data Protection legislation	L	Cowfold Parish Council is registered with the ICO the UK Data Protection Agency and is governed by their rules. Cowfold Parish Council Data Protection Policy is regularly reviewed.	Current procedure adequate
Freedom of Information	Non-compliance of Freedom of Information legislation	L	Information and documentation is made available on the Parish Council website, to comply with the Model Publication Scheme	Current procedure adequate
Insurance	Inadequate Cover Fidelity Guarantee Compliance	L L L	An annual review is undertaken prior to renewal of all insurance arrangements The amount is reviewed annually to ensure sufficient insurance cover Employers, Employee and Public Liability cover to remain adequate in all areas.	The insurance policy is reviewed annually to ensure sufficient cover for the Council.
Minutes / agendas / Statutory notices	Accuracy and legality	L	The Clerk to ensure the agendas and minutes are produced in the prescribed manner and legal requirements adhered to. Conduct of meeting to follow Standing Orders and Code of Conduct.	Current procedure adequate
Assets	Loss or damage risk / damage to third party property	L	An annual review of assets is undertaken to ensure adequate insurance provision. Also forms part of the Annual Return.	Current procedure adequate
Maintenance	Poor performance of assets	L	All assets owned by the Parish Council are regularly reviewed and maintained. A RoSPA report to purchased annually to report on safety of play equipment.	Current procedure adequate