

Hartley Wintney Parish Council Risk Management Schedule 2022/23

Last reviewed: May 2020

Income

Topic	Risk Identified	Risk Level H/M/L	RAG* Rating	Management of Risk	Staff action	Internal Audit Checks (Every)	Completion Notes
Precept	Not submitted	L	Green	Full Council Minute – RFO follow up	Diary	12 months	Approved at Full Council 10.01.22 & completed form sent to HDC 17.01.22
	Not paid by HDC	L	Green	Check & Report To Fin Comm.	Diary (April & Sept)	12 months	Payments received April & Sept
	Adequacy of precept	H	Red	Monthly review of budget to actual	Diary	12 months	Full Council 10.01.22
Community Bus	Now cashless						
	Payments do not reconcile	H	Red	Administrator	RFO verify	6 months	RFO check passenger list v's SUM Up payments
	Carrying passengers	M	Orange	Risk assessment in place	Clerk	12 months	Reviewed by staff 30.04.22
Charges – Markets	Cash handling	H	Red	HAO	RFO Verify	6 months	Cash taken recorded in receipt book
	Cash transport	H	Red	All monies submitted weekly to office	RFO Verify	6 months	Banked fortnightly
	Cash banking	H	Red	Bi-weekly banking, receipts entered	RFO Verify	6 months	CSA bank cash fortnightly. RFO checked receipt book against banked values - completed quarterly
Charges – Burial Ground	Grave allocation	M	Orange	In order, no reserves. Allocated by Deputy Clerk		12 months	Allocated and logged by Deputy Clerk
	Invoices to Funeral Directors	M	Orange	All payments prior to interment	RFO Verify	12 months	RFO/ Deputy Clerk checks fee is correct before finalising booking
	Memorial fees	M	Orange	All payments prior to erection	RFO Verify	12 months	Not applicable - included in interment fee
Charges – Allotments	Rental invoices	L	Green	Sent out every September	Diary	12 months	Renewals sent September. Payments checked by Deputy Clerk periodically
	Cash handling	L	Green	Payments logged and banked	RFO Verify	12 months	Logged on spreadsheet & all payments made by cheque
	Cash banking	L	Green	Fortnightly	Diary	12 months	Banked upon receipt for renewals or new plots. RFO checked burial records against banked income - completed quarterly
Grants – District/ S106	Claims procedure	L	Green	Clerk/RFO check quarterly	Diary	12 months	Logged on S106 tracker
	Receipt of grant when due	M	Orange	Check & Report to Fin Comm.	Diary	12 months	Late payments chased where required
Investment Income	Receipt when due	L	Green		Diary	12 months	CCLA deposit fund - Cllr signatories can contact CCLA direct to complete spot check balance enquiries.
	Investment Policy	L	Green	Review policy annually +	Diary	12 months	
	Surplus funds	L	Green	Review policy annually +		12 months	Reviewed at Finance Committee 22.10.18

Expenditure

Topic	Risk Identified	Risk Level H/M/L	RAG* Rating	Management of Risk	Staff action	Internal Audit Checks (Every)	Completion Notes
Salaries	Wrong salary paid	M	Orange	Check to records - payroll software in place	Member verify	12 months	Salaries checked & signed by Cllr signatories monthly
	Wrong hours paid	M	Orange	Check to timesheet/contract- new payroll software in place	Member verify	12 months	Salaries checked & signed by Cllr signatories monthly
	Wrong rate pay	M	Orange	Check to contract- new payroll software in place	Member verify	12 months	Salaries checked & signed by Cllr signatories monthly
	False employee	L	Green	Check to PAYE Records & lists- new payroll software in	Member verify	12 months	Salaries checked & signed by Cllr signatories monthly
	Wrong deductions – NI	M	Orange	Check to PAYE Calcs- new payroll software in place	Member verify	12 months	Salaries checked & signed by Cllr signatories monthly
	Wrong deductions – Income tax	M	Orange	Check to PAYE Calcs- new payroll software in place	Member verify	12 months	Salaries checked & signed by Cllr signatories monthly
Staff Pensions	Failure to set up pension scheme in time	M	Orange	RFO check and consider budget	RFO verify/ Chair of Finance	6 months	Auto enrol for eligible employees
	Failure to enrol staff	L	Green	RFO check and consider budget	RFO verify/ Chair of Finance	6 months	Pensions submission system automatically checks for eligibility at each submission based on cumulative income
	Deduction of incorrect pension payments from salary or HMRC	M	Orange	RFO check and consider budget- new payroll software in place	RFO verify/ Chair of Finance		Payment submission generated by payroll software deducts amount via direct debit
Direct Costs and overhead expenses	Goods not supplied to HWPC	M	Orange	Order system	Approval check	6 months	Request to pay by invoice wherever possible so payment after delivery of goods
	Invoice incorrectly calculated	L	Green	Check arithmetic	Approval check	6 months	Invoices are added up prior to payment
	Overpayment	M	Orange	Payments listing submitted	Member verify	6 months	Cllr approve online payments
	Payment to incorrect party	M	Orange	Payments listing submitted	Member verify	6 months	Cllr approve online payments & bank checking system
	Stock loss	H	Red	Point of sale info and control	Reconcile to Stock	6 months	
	Incorrect invoice payment	M	Orange	Check invoice amount against bank statement	Member verify	6 months	Cllr signatory checks all invoices against payments listings monthly
Cllrs Allowances	Cllr overpaid	M	Orange	Claim form & minute	RFO verify	6 months	Checked legitimacy of each claim prior to sign off/ payment
	Income tax deduction	M	Orange	Check to PAYE Records & lists	RFO verify	6 months	Use HMRC basic tools to calculate PAYE & employer's NI

Topic	Risk Identified	Risk Level H/M/L		Management of Risk	Staff action	Internal Audit Checks (Every)	Completion Notes
Grants & support	Power to pay	M	Amber	Minute power	Member verify	12 months	Policy reviewed annually
	Agreement of Council to pay	L	Green	Minute	Member verify	12 months	All grants are agreed at Finance Committee meeting - as per budget and policy
	Conditions agreed	L	Green	Use reasonable condition	RFO check	12 months	RFO check application is compliant prior to fwd to council
	Cheque & voucher	M	Amber	Signatory initials etc Stub & Voucher	Member verify	12 months	Payments are accounted for as invoices signed off by 2 Cllr signatories
	Follow up verification	M	Amber	RFO check and consider budget	RFO verify	12 months	
Election Costs	Invoice at agreed rate	L	Green	RFO check and consider budget	RFO verify	Whenever	
VAT irrecoverable	VAT analysis	M	Amber	All items in cash book lists	RFO verify	12 months	RFO ensures VAT is properly accounted for in finance system so that VAT return is correct
	Charged on purchases	L	Green	Consider all items per cash book lists	RFO verify	12 months	
	Partial exemption applies	M	Amber	Capital Expenditure	RFO verify	12 months	
	Claimed within time limits	M	Amber	Agree returns submitted	RFO verify	3 months	VAT returns completed end of each qtr and chase non-payments with HMRC
Reserves - General	Adequacy	L	Green	Consider at Budget setting	RFO opinion	12 months	Annually reviewed
Reserves – Earmarked	Adequacy	L	Green	Consider at Budget and Final a/cs	RFO opinion	12 months	Annually reviewed
	Earmarked or Contingent liability	L	Green	Review minutes with Chair Fin Comm	RFO/member view	12 months	Several reviews completed by RFO and Chairman of Finance committee
Play areas	Faulty or worn equipment & risk to public safety	L	Green	Weekly inspection of all play facilities plus annual RoSPA inspection	Contractor	Weekly & 12 months	Weekly inspection reports shared and uploaded to RoSPA
Assets	Loss, Damage etc	M	Amber	Annual inspection, update insurance and asset registers		24 months	Assest register online software
	Risk or damage to third party property or individuals	M	Amber	Review adequacy of Public Liability Insurance	Diary	12 months	Annual insurance review
Staff	Loss of key personnel (Clerk)	L	Green	Hours, health, stress, training mgt.	Staffing Committee	24 months	Staffing Committee set up to support staff
		M	Amber	Long term sickness, early departure	Staffing Committee		Succession planning - procedures in place
	Fraud by staff	L	Green	Fidelity Guarantee value	Council	12 months	Secure cash handling & petty cash processes
	RFO not completing statutory tasks or financial risk assessment tasks	M	Amber	Finance Committee Chair to conduct spot checks	Member verify	3 months	Verification by Council Chairman and Finance Chairman
Loss	Consequential loss due to critical damage or third party performance	L	Green	Insurance cover review adequacy	Diary	12 months	Insurance requirements reviewed annually before premium is due in June.
Council documents	Accidental deletion or loss of files including financial records	L	Green	Monthly back ups. Storing paper documents in secure, metal cabinet	Clerk	1 month	Electronic back-up made monthly and stored in cloud.
Cash	Loss through theft or dishonesty	L	Green	Insurance cover review ensure adequacy of Fidelity guarantee insurance	Diary	12 months	Cash handling policy in place.
Events programme	Public liability	L	Green	Risk assessments completed for all community events. Public liability insurance in place. Third party providers required to show insurance and food hygiene certificates where required.	Events Manager	12 months	Risk assessment reviewed before each event and any mitigation measures put in place.
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Amber	Annual maintenance inspection	Diary	12 months	Inspection of assets underway
Borrowing/lending	Adequacy of finances to be able to repay loans	M	Amber	Financial review and cashflow forecasting monthly	Diary	12 months	RFO checks income & expenditure reports monthly against budget. Issues raised with Council with suggested virements
Legal Powers	Illegal activity or payment	H	Red	Educate Council as to their legal powers	Diary	24 months	List of council powers available to all members
Financial Records	Inadequate records	L	Green	RFO/clerk check quarterly + regular internal audit	Diary	12 months	RFO checks key financial indicators at least monthly, inc. income and expenditure report, outstanding creditors & debtors, trial balance and nominal ledger
Minutes	Accurate and legal	L	Green	Review at following meeting	Diary	12 months	Also verified by internal auditor
Members interests	Conflict of interest	M	Amber	Update declarations of interest	Diary	4 years	Considered at each meeting for agenda items. Declarations updated at election or if any changes
GDPR	Non-compliance & data breaches.	M	Amber	Staff & councillor training, data review, re-registration of community bus users, updating privacy notice, regular deletion of emails & policy update	Policy Comm. & Clerk	3 months	All bus users are in process of being re-registered. Staff briefing on retaining personal data. Officers and Councillors attended GDPR training.
Lucy Pygott Centre	Injury to public or staff	L	Amber	Maintenance and safety checks in place	Clerk	3 months	Regular visual checks undertaken
	Hirers	L	Amber	Contract in place	Clerk	Various	Each booking talk through requirements & fire safety
	damage to building	M	Amber	Auto fire system and security system in place	Clerk	3 months	Maintenance contract in place

Red Amber Green (RAG) risk rating: Red (high) - Amber (medium) - Green (low)

Document date: 09.05.22