Mattishall Parish Council

Financial Risk Assessment

Date of next review: March 2027

The following control systems are in place to ensure that Mattishall Parish Council is doing everything possible to protect public money from financial risk.

Finance

Risk: 1. Accounting errors due to lack of financial control

Procedures to address risk:

1.1 The total of balances on accounts at a bank shall not exceed the amount guaranteed by the Financial Services Compensation Scheme. If additional bank accounts are required these must not be at a bank who share a banking licence with a bank at which there is an existing account.

1.2 A Responsible Financial Officer (RFO) will be appointed whenever a vacancy arises.

1.3 Where the RFO is also the Clerk, a Parish Councillor or other approved person will be appointed by the Parish Council with a special responsibility for financial matters. They will be referred to as the Internal Control Officer (ICO).

1.4 All financial documentation will be held by the RFO, e.g. cheque books, paying in books, invoices, receipts, bank statements, VAT reclaim documents and cashbook. Any or all of this documentation may be in electronic form.

1.5 Electronic data will be backed-up to the cloud.

1.6 All released payments will be entered into the cashbook within two weeks of the meeting authorising payment.

1.7 By default payment will be made online. A payments list will be presented to the monthly council meeting and approved at that meeting, this will include direct debits, credit card transaction, etc that have occurred since the last council meeting. Salary payments may be made at the month end and authorised at the following council meeting. The RFO will set up payments in the online banking system and these will be released by an authorised signatory. Where payments are made by cheque, these will be signed by two authorised signatories, cheque numbers will be written on invoices (if paper copy held) or within the file name.

1.8 Cash and cheques received will be entered into the cashbook upon receipt and banked by the RFO as soon as reasonably practicable.

1.9 Bank statements will be reconciled monthly with the cashbook and checked by the ICO at least quarterly. The ICO will have access to the online banking system and will confirm in their report that they have seen and checked bank statements to

authorised payments lists.

1.10 VAT will be reclaimed biannually.

1.11 A receipt will be issued for all cash received by the Council.

1.12 Appropriate training will be offered to the RFO and ICO as and when needs are identified.

Risk: 2. Budget overspend

Procedures to address risk:

2.1 A budget meeting will be held annually between November to January to determine the budget for the following financial year and to determine the precept to be applied for.

2.2 The budget to actual receipts and payments will be reported to and reviewed by the Council quarterly.

2.3 The Contract of Employment and salary of the Clerk, or any other employee, will be reviewed annually.

Risk: 3. Loss of funds due to misappropriation of public money

Procedures to address risk:

3.1 No expenditure will be incurred by any member of the Parish Council without the approval of a properly constituted Parish Council meeting.

3.2 All invoices will be paid on the authority of the Parish Council at a properly constituted Parish Council meeting.

3.3 The Clerk/RFO cannot make purchases of individual items in excess of £500 without the prior authority of the council. As stated in the Financial Regulations under 4.1 This amount should be reviewed annually to take account of inflation.

3.4 A Register of Interests of all Councillors is maintained by the District Council. Councillors will update this Register with any changes using the District Council online portal. The Clerk will remind Councillors of their responsibility for keeping this Register up to date at the Annual Parish Council Meeting.

3.5 The RFO will make monthly returns to HMRC to ensure that they are kept informed of monies paid to the Clerk, or any other employee.

3.6 Year end accounts will be prepared by the RFO for circulation to the Parish Council by mid-May following the financial year end on 31 March.

3.7 Appointment of Independent Internal Auditor will be reviewed following the conclusion of the internal audit.

3.8 Council will obtain employment references covering the previous three years for all new employees. Where employment references are not available, and having established an acceptable reason why, character references must be sought.

3.9 No petty cash to be kept. Clerk and Councillors to claim expenses at least quarterly.

Insurance

Risk: 4. Under-insurance of parish council assets

Procedures to address risk:

4.1 Insurance cover will be reviewed at the Annual Parish Council Meeting in May of each year to ensure adequate cover is maintained.

4.2 Fidelity insurance to be included.

4.3 An Asset Register will be maintained by the Clerk and updated at the time assets are added or removed and will be presented to the Council for inspection at the Annual Parish Council Meeting.

Public Liability

Risk: 5. Liability to public to provide a duty of care

Procedures to address risk:

5.1 Health and safety checks will be carried out on the play area, goal post and defibrillator weekly. All other assets that the council is responsible for will be checked annually to monitor and identify risks to the health and safety of the public using these items.

5.2 The external annual inspection of the play area will take place findings reported to Council at the next monthly meeting, following receipt of the report.

5.3 Risk assessments for all other areas of the Parish Council's business will be reviewed every year, or more frequently if required.

Employer's Liability

Risk: 6. Compensation Claim from Employee for Malpractice or Injury

Procedures to address risk:

6.1 A Contract of Employment will be issued to a new employee within 2 months of commencement of employment.

6.2 The job description of the employee will be reviewed at the employee's annual appraisal.

6.3 The appraisal will be carried out annually around the anniversary of appointment and agreed targets reported to the Council at the next council meeting.

6.4 Matters relating to employees will be discussed in confidence – (public and press to leave the meeting room as well as employee) and decisions minuted.

6.5 Appropriate training will be provided for all identified training needs necessary to carry out role.

6.6 Risk assessment will be carried out within two months of joining the Parish Council on Clerk's/RFO's work station and immediate working area (where working from home), risks identified and reported to council and action taken to reduce risks. This assessment will be carried out independently of the Clerk/RFO by a suitably qualified Councillor or advisor to the Parish Council. The Clerk may request further assessments.

6.7 Equipment to be provided to ensure that employee can carry out role effectively and safely.