



Financial Risk Assessment Wroxham Parish Council

Reviewed December 2024

– updates highlighted in yellow

RFO / Parish Clerk

Clare Male

Finance lead

Ian Joynton

Definition of Risk Management

Risk is the threat that an event or action will adversely affect an organization's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

This document has been produced to enable the Parish Council to assess the financial risks that it faces and satisfy itself that it has taken adequate steps to minimize them. The Council is aware that although some risks can never be eliminated fully, it has in place a strategy that provides a structured, systematic and focused approach to managing risk, which:

- Identifies the subject
- Identifies what the risk may be
- identifies the level of risk
- Evaluates the management and control of the risk and records findings
- Reviews, assesses and revises procedures if required.

FINANCIAL MANAGEMENT				
Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
Business continuity	Council not being able to continue its business due to an unexpected or tragic circumstance. This maybe due to death or sickness of the Clerk or Chair. Low Councillor numbers may mean meetings have to be cancelled and Council business cannot be transacted.	MEDIUM	<p>All files and recent records are kept in the Clerk's office. Electronic files are held on DropBox (DB) which all Councillors have access to. Land deeds in fireproof cabinet in the Clerk's office.</p> <p>In the event of the clerk being unavailable due to unexpected or tragic circumstance then Norfolk Parish Training and Support (NPTS) would be contacted to provide Locum cover. An annual subscription is held to cover this circumstance.</p> <p>Insurance policy which includes key person cover.</p> <p>Two Councillors can set up payments with Unity Bank in the Clerks absence.</p>	<p>NB – This is for death, injury or illness of the Clerk only and is for a maximum of £500 p/w to a maximum payout of £10,000 (Clear policy schedule p17)</p>
Council Paper records	Loss through theft, fire, damage	LOW	The majority of files and all recent paper records are kept in the Clerk's office. Electronic files are held on DB which all Councillors have access to. Land deeds are in a fireproof cabinet in the Clerk's office.	<p>All current files are held on DB which all Councillors have access to. As the archives are sorted, relevant documents are added. Storage limits preclude all documents being held publicly.</p> <p>Archive is held separately in the Clerk's loft due to volume and shortage of office space.</p>

Precept and budget	Adequacy of precept to enable the Council to carry out its Statutory duties	LOW	<p>Financial matters are discussed every month at Full Council and the budget is prepared in good time to allow a recommendation of a precept to be at Full Council by November.</p> <p>Budget monitoring presented quarterly to Full Council.</p> <p>Reserve funds allocated in case of an emergency.</p> <p>Fidelity guarantee and internal controls in place.</p>	
Insurance		MEDIUM	<p>Insurance cover reviewed annually.</p> <p>Asset register is reviewed annually, with a full revaluation in 2024 and Clerk's ensures that insurance covers asset values.</p>	
Banking	<p>Inadequate checks</p> <p>FSA savings protection rules</p>	<p>LOW</p> <p>MEDIUM</p>	<p>The Council adheres to 'Financial Regulations', which set out the requirements for banking, cheque processing and reconciliation of accounts.</p> <p>All banking transactions are recorded in Scribe. A bank reconciliation is carried out monthly for Full Council.</p> <p>Online banking used.</p> <p>No more than £85,000 should be held in a single Bank</p>	<p>Existing procedures adequate</p> <p>Financial Regulations to be reviewed annually and review formally recorded.</p> <p>Use of online banking improves efficiency of checks.</p> <p>Funds held across four accounts. CCLA is marginally larger than £85K due to interest payments.</p>

Cash	Loss through theft or dishonesty	LOW	The Council has no petty cash or float. Any cash transactions made by the clerk, are fully receipted and then reimbursed monthly or paid by cheque on receipt of an invoice	Clerk holds Credit Card for small and online purchases. This has a credit limit of £2,000 and financial regulations allow spend up to £1,000 per transaction.
Financial controls and records	Inadequate checks	LOW	<p>A financial accounting system "Scribe" has been introduced to ensure good record keeping and accounting.</p> <p>Electronic payments are authorized by a second (authorized) person.</p> <p>Internal and external audits are carried out.</p> <p>Any financial obligation must be resolved and clearly minuted before any commitment.</p> <p>All payments must be resolved and clearly minuted unless there are exceptional circumstances.</p> <p>External audit report is made available to the council and posted on the Council's website.</p>	.
VAT	Re-claiming / charging	LOW	<p>The Council has financial regulations, which set out the requirements for reclaiming VAT.</p> <p>Clerk keeps continuous record of VAT payments</p>	This has become easier and quicker in 2024 with adoption of Scribe.

Employee Salary / Pension Obligations	Failing to meet statutory obligations on TAX/NI/Pensions	LOW	WPC uses independent Payroll and Pension providers to make sure commitments are met. Clerk & Governance & Admin lead regularly attend Pension Forum.	In the months of January and August when no meetings are held a payment is made to HMRC to avoid penalties.
Contract Management	Administration of contracts not formally documented.	LOW	Contracts register in place.	Contracts register reviewed biannually.
Annual Return	Not submitted within time limits	LOW	Annual return is completed and signed by the Council, submitted to the Internal Auditor for completion and signing, then checked and sent on to the External Auditor within time limit	Existing procedures adequate
	Not meeting the requirement of the Annual Governance Statement	LOW		Current status reviewed and deemed satisfactory.

Appendix 1

WROXHAM PARISH COUNCIL RISK ASSESSMENT SCHEDULE TO BE REVIEWED ANNUALLY

ITEM	FREQUENCY	LAST REVIEWED	COMMENT / ACTION	ACTION
Parish Council Insurance Including: Public and Employers Liability Money and Fidelity Guarantee Personal Accident	Annually	July 2024		
Assets inspection	Monthly	Each Councillor is assigned a geographical area and inspects this regularly.		
Financial Matters Banking Arrangements Insurance Providers VAT Return completed Budget agreed, monitored and reported Precept requested Payment's approval procedure Bank reconciliation overseen by Chair	Annually Annually Annually Bi - monthly Annually Monthly (10 months of the year) Bi - monthly			

Clerks' salary reviewed and documented	Annually			
Internal Audit	Annually			
External Audit	Annually			
Internal check of financial procedures	Annually			
Administration				
Asset register updated	Annually			
Financial Regulations reviewed	Annually			
Standing Orders reviewed	Annually			
Employers Responsibilities				
Contract of employment in place	Annually	YES		
Contractors' indemnity insurance	On award of contract			

Member's responsibilities				
Code of Conduct adopted	As required			
Register of Interests completed and updated	At each election			
Declaration of Interests minuted	Monthly			

The information given above was updated and agreed at the Full Council meeting of the 5th December 2024.

Signed Chair: *Ian Joynton*

Clerk: *Clare Male*