

# WEST SWINDON PARISH COUNCIL

## RISK MANAGEMENT SCHEME: Reviewed and adopted 20th May 2024

Subject and Risk(s) identified	High (H) Medium (M) Low (L)	Management/control of Risk	Review / Assess / Revise
<p><b>Council funding &amp; precept</b></p> <p>Precept is sufficient for the planned budget of the Council to carry out its statutory obligations and duties.</p>	L	<p>To determine the annual precept amount required, the Council has a number of processes throughout the year</p> <ul style="list-style-type: none"> <li>• It appoints a Finance &amp; Staffing Committee to review the budget requirements of the Council and to secure costs for current and future works.</li> <li>• The Clerk compiles a quarterly budget update report</li> <li>• The Council agrees a forward plan for key areas of expenditure such as play areas, recreation spaces, community buildings and grounds maintenance preparing outline requirements in a timely manner ahead of setting the precept.</li> <li>• At the precept meeting (Dec/Jan) the Council receives a budget report, which sets out the current actual budget position, and the projected position to the end of the financial year. With this information the Council maps out the required budget for standing costs and projects for the new financial year and revises the budget lines, the total of which is resolved to be the precept amount to be requested from Swindon Borough Council. The figure is submitted by the Clerk in the Precept Demand notice.</li> </ul>	Existing procedure adequate.
<p><b>Financial Accountability<sup>1</sup></b></p> <p>Inadequate records</p> <p>Financial irregularities</p>	L L	<p>The Council has Financial Regulations and Standing Orders which sets out the requirements of the Council. The Council appoints a Responsible Financial Officer (RFO) to ensure appropriate financial procedures are observed. The Council also appoints an internal auditor to review the accounts during the financial year and an external auditor for an annual audit. The Council's Financial Regulations are in line with the Governance and Accountability for Smaller Authorities in England (March 2016). Councillors share accountability for the finances of the Council and support the Clerk/RFO. Two signatories on payments. Finance &amp; Staffing Committee and Full Council review and approve a schedule of payments on a monthly basis.</p>	Existing procedure adequate Review the Financial regulations when necessary. Review the delegations on annual basis. Recommendation from the internal or external audit are acted upon.
<p><sup>1</sup>The Financial Regulations adopted by the Council are critical to ensure that the Council operates within the law and avoids irregularities. For good practice, the Council could contrast and compare its process and safeguards with similar parish councils. It is important that any delegations are in line with the Regulations.</p>			
<b>Bank Account queries or</b>	L	The Council's Financial Regulations set out banking requirements.	Existing procedure

<b>irregularities</b> Inadequate checks Banking errors	L	The Clerk/RFO conducts a monthly reconciliation. Councillors receive a monthly budget update. Internal audit is undertaken.	adequate  Existing procedure adequate
<b>Reporting and auditing</b> Lack of public information communication	L	Financial information is a regular agenda item (Finance Report) and discussed/reviewed by the Finance Committee and approved at each Council meeting. The Council can use the website to publish key financial decisions and budget information that should be accessible to the public <sup>2</sup> .	Existing procedures adequate.
<b>Accounting for payment of rents/leases</b> Defaulting or delayed payments	L	Monies payable to the Parish Council will be the subject of lease or rent agreements and will be invoiced in accordance to the agreement. The Finance Committee will agree the process and policy for payments and arrears. <sup>3</sup>	Existing procedure adequate. Regular monitoring will ensure necessary recommendations
<b>Grants payable</b> Authorisation of Council to pay Correct use and record keeping	L	All such expenditure in the form of grants goes through the required process for approval which will vary depending on the amount but is set out in the Financial Regulations. Approval of expenditure will be minuted and listed accordingly if a payment is made using S137 powers of expenditure <sup>4</sup> . General Power of Competence will be most commonly used.	Existing procedure adequate.

<sup>2</sup> The Smaller Authorities Transparency Requirements Regulations 2015 requires the following information, relating to the this Council to be published annually. This should be published no later than 1 July:

- all items of expenditure above £500;
- end of year accounts, annual governance statement, and internal audit report (as contained in the annual return). The end of year accounts should also have a copy of the bank reconciliation for the relevant financial year; an explanation of any significant variances (e.g. more than 10-15%, in line with proper practices) in the statement of accounts for the relevant year and previous year; and an explanation of any differences between 'balances carried forward' and 'total cash and short term investments', also if it applies:
- a list of councillor or member responsibilities; and
- details of public land and building assets owned by the smaller authority

This information will give a member of the public a degree of insight into the overall budget for the Council and its compliance with its financial duties.

The Local Audit and Accountability Act 2014 replaces the Audit Commission Act 1998 and the Accounts and Audit (England) Regulations 2011. This means that the Responsible Financial Officer will set a date for the exercise of public rights, which means for a single period of 30 working days, the accounts can be inspected.

During this period electors can ask questions of the auditor or make an objection. Any question or objection must be raised within the 30 day inspection period.

Importantly, whatever period the officer sets it must include a common inspection period - during which the accounts of all smaller authorities must be simultaneously available for public inspection – this includes the first 10 working days (consecutive days excluding Saturdays, Sundays and bank holidays) of the July following the financial year to which the accounts relate.

<sup>3</sup>. It is anticipated that any income raised for allotments or community hire will be reinvested back into those assets. Diminished returns may not impact on the whole Council's budget significantly but could impact on that particular asset.

<sup>4</sup>. Expenditure under Section 137 (1) of the Local Government Act 1972 must be accounted for separately. The Parish Council has the General Power of Competence so this is used instead.

<p><b>Procurement</b></p> <p>Less than best service provided.</p> <p>Overspend on services or no contingency plan.</p>	<p>M</p> <p>M</p>	<p>Parish Council practice would be to seek, quotations in line with the Council's Financial Regulations. The decisions will take into account, reliability, quality of service and track record for any significant work to be undertaken. For major work competitive tenders would be sought. Council uses JCT for Minor Works template for large contracts.</p> <p>Significant contracts will include service standards, clauses and contingencies.</p>	<p>Existing procedure adequate but to be reviewed as part of the review of Financial Regulations.</p>
<p><b>Salaries and assoc. costs</b></p> <p>Salary paid incorrectly.</p> <p>Inaccurate deductions withdrawn.</p>	<p>L</p> <p>L</p>	<p>The Council is fully aware of its responsibilities in terms of payment of staff salaries, pensions and national insurance. The Council will create a process with the necessary Financial Controls to establish regular and timely payment. It will take advice from external bodies and regularly review the required payments schedule through the Finance Committee. Financial controls will be reviewed annually. The Deputy Clerk creates the payslips which are double checked by the Clerk prior to posting payments.</p>	<p>Existing procedure adequate.</p>
<p><b>Employees</b></p> <p>Fraud by staff</p> <p>Health and safety</p>	<p>L</p> <p>L</p>	<p>Requirements of the Insurance adhered to with regards to fraud. The scheme of delegation should protect against fraud as well as involvement and vigilance from the RFO and councillors. Monthly budget updates should keep track of any unusual variances. Internal audit will provide a further check.</p> <p>All employees to be provided adequate direction and safety equipment needed to undertake their roles. All Councillors and employees adhere to the Council's Health and Safety Policy.</p>	<p>Existing procedures adequate. Take into account any recommendations arising from audit.</p> <p>Monitor health and safety requirements and insurance annually.</p>
<p><b>VAT</b></p> <p>Reclaiming/charging</p>	<p>L</p>	<p>The Council has Financial Regulations which set out the requirements. This will be verified by the internal audits and external annual audit. VAT claims calculated by the IT financial tool and checked by the Clerk/Deputy Clerk.</p>	<p>Existing procedures adequate</p>

<b>Annual Return</b> Submit within time limits	L	Annual Governance Statement is completed and approved by the Council, submitted to internal auditor for completion and signing then checked within time frame. Statements and Audit reports are submitted online and on local noticeboards with the prescribed time frame by the Clerk.	Existing procedures adequate.
<b>Legal Powers</b>  Illegal activity or payments	L	All activity and payments to be enacted within the powers of the Parish Council to be resolved at full Council Meetings, including review of powers to be used as part of the Council Standing Agenda Item on Finance. Training for new Councillors will cover the range of powers and duties in order that the Council operates in an informed manner. Clerk clarifies legal position on new proposals. Legal advice to be sought where necessary. Clerk attend training updates. Membership of the Wiltshire and National Association of Local Councils should also assist as a source of advice should queries arise in the exercise of powers.  Councillors monthly report should also monitor and track expected transactions. Further safeguarding through monthly bank reconciliation.	Existing procedures adequate
<b>Meeting paperwork and Notices follow Statutory guidance on format and publication</b>	L	Minutes and agenda are produced in the prescribed manor by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Agendas are publicly displayed according to legal requirements. Venues meet requirements. <sup>5</sup>	Existing procedures adequate.
<b>Members interests</b>  Conflict of interests	L	Declarations of interest by members at Council meetings. Register of member's interests forms reviewed regularly.	Existing procedures adequate.  Council members update the register.
<b>Insurance</b>  Adequacy	L	An annual review is undertaken of all insurance requirements. Employers and Employee liabilities are adequately covered.	Existing procedure adequate. Insurance reviewed annually.
<b>Data protection</b>  Policy provision	L	The Parish Council is registered with the Data Protection Agency and has a Data Protection Policy that it adheres to.	Ensure annual renewal of registration
<p><sup>5</sup>The Smaller Authorities Transparency Requirements Regulations 2015 requires the following information to be published more frequently than once annually:</p> <ul style="list-style-type: none"> <li>The draft minutes from all formal meetings (i.e. full council or board, committee and sub-committee meetings) should be published not later than one month after the meeting has taken place.</li> <li>Meeting agendas and associated meeting papers should be published not later than three clear days before the meeting is taking place.</li> </ul> <p>All the information must be published on a website, which is publicly accessible and free of charge to view.</p>			

<b>Freedom of Information</b> Compliance	L	The Council has adopted a Freedom of Information Publication Scheme. The office resources should be able to deal with day to day requests for information. The website offers an opportunity to self serve general requests.	Monitor any requests made under FOI
<b>Assets</b> Loss or damage and potential injury, risk/damage to third party	L	An annual review of the parishes assets is undertaken for insurance provision and to evaluate potential maintenance requirements. This includes external annual audit of play areas.	Existing procedures adequate
<b>Maintenance</b> Poor quality or sub standard assets or amenities	L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for any repair is actioned/authorised in accordance with the correct procedures of the Parish Council. Assets are insured and consideration will be given to replacement or refurbishment in the event of loss or damage..	Existing procedures adequate
<b>Council records – paper</b> Secure storage to minimise loss due to fire, flood, theft.	M	The copies of the Parish Council paper records are stored in the Parish Council offices. Individual Council members also have access to personal copies of papers and reports. The building meets minimum fire regulations and includes a sprinkler system.	Damage or theft is unlikely but not impossible - provision is adequate.
<b>Council records – electronic</b> Loss through theft, fire damage, IT corruption or loss of computer	L	The Parish Council electronic records are stored on the Council computers. There is more than one computer to allow for ongoing access to records in the event of damage or corruption to a single device. Hard drive back up storage is also undertaken at regular intervals and stored securely.	
<b>Security of council assets, buildings, equipment</b>	H	Regular security inspections by parish staff. Internal fire risk assessment carried out. Leased buildings operated securely. Health and Safety Policy reviewed on an annual basis.	Existing procedures considered adequate