

WHITSBURY PARISH COUNCIL – Financial Risk Assessment

FINANCIAL AND MANAGEMENT			
Subject	Risks Identified	H/M/L	Management control of risks (and agreed improvements)
Councillors	Losing Councillor membership or having more than 2 vacancies at any one time	L L	When a vacancy arises, there is a legal process to follow. This either leads to a by-election or into a co-option process. An election is out of the Parish Council's control. The co-option process begins with an advert, acceptance of applications, consideration of applicants and co-option vote at a Council meeting then appointment. If there are more than 2 vacancies at any one time on the Council it becomes inquorate. The legal process of New Forest District Council appointing members takes place.
Precept	Adequacy of precept Requirements not submitted to NFDC in time Amount not received by NFDC.	L L L	Regular budget review by Full Council Precept should be considered by Council before the deadline - deadline should be ascertained from NFDC each year in advance. The Clerk informs Council when monies are received (approx. April/May and September)
Financial records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which set out the requirements
Bank and banking incl internet banking	Inadequate checks Bank mistakes Loss Charges Loss of signatories	L L L L L	The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. The Clerk reconciles the bank accounts once a month when the statement arrives, any problems/irregularities are dealt with immediately by informing the bank and awaiting their correction. Monitor the bank statements monthly. Council would choose replacement signatories, but the Bank takes time to implement changes; this mostly happens after an AGM/election. All Councillors are to have access to the online bank account. The Council is to decide no less than 3 council members who may authorise transactions. If not an authoriser, then the Councillor has partial access and may view all aspects of the online account. Internet banking sites will only be accessed directly, not via a search engine. Any transactions to be carried out electronically must be agreed by Full Council in advance. The Clerk to provide a list of financial transactions for authorisation during Council meetings for the Council to vote upon. Clerk will set up payments online and signatories will then authorise online.
Cash / Loss	Loss through theft or dishonesty	L	The Council has Financial Regulations which set out the requirements. Cash/cheques received are banked as soon is practicable. There is no petty cash or float. This is audited by the Internal Auditor annually. One Councillor is to view the banking statement each month and compare out goings to those agreed payments in the minutes. They should then sign the statement as correct. Councillors should take turns doing this task.

Litigation	Potential risk of legal action being taken against the Council	M	Public liability insurance covers general personal injury claims where the Council is found to be at fault, but not spurious or frivolous claims - these cannot be insured against.
Reporting and auditing	Information communication Compliance	L M	A Clerk's report is produced monthly and presented to Council, discussed and approved at the meeting. This report includes, bank reconciliation and a break down of receipts and payments balanced against the bank.
WPC run activities	Risk of financial loss	L	Activities previously held, such as Jubilee celebrations, have been financed by advance ticket sales and/or donations prior to events thus reducing the risk of financial loss to WPC. If finance is not secured in advance there may be some financial risk which would need to be covered by the council's reserves. Each activity should be assessed on an individual basis.
Grants - receivable	Receipts of Grant	L	The Parish Council does not presently receive any regular grants. A one-off grant would come with terms and conditions to be satisfied.
Best value Accountability	Work awarded incorrectly Overspend on services	L M	Normal Parish Council practice would be to seek, if possible, more than one quotation for any substantial work required to be undertaken or goods. For major contract services, formal competitive tenders would be sought. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council. This is covered in the Financial Regulations.
Salaries and assoc. costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L L L L	The Parish Council authorises the appointment of all employees through all council meetings. Salary rates are assessed annually by Council. The Clerk's report details payments to the Inland Revenue (for Tax and NI) which is worked out using an Inland Revenue computer programme PAYE Basic Tools. The Clerk has a contract of employment and job description. Salaries are paid in arrears, but if a meeting is cancelled or moved then payments could be late or missed.
Employees	Loss of Clerk	L	The Clerk role would be advertised, using HALC and other resources to expediate a replacement. in the short term councillor/s would carry out the minimum clerk duties. The requirements of the insurance to be adhered to with regards to Fraud. Membership to SLCC/NALC/HALC ensures adequate advice can be taken.

	Fraud by Clerk Actions undertaken by clerk. Health and Safety	L L L	The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. Health & Safety issues relating to the clerk with regard to working at home and driving to/from Council meetings. The clerk's own car insurance covers travel to and from a place of work. Monitor working conditions, safety requirements and insurance regularly
Councillor allowances	Councillors over-paid Income tax deduction	Negative	No allowances are allocated to Parish Councillors.
Election costs	Risk of an election cost	H	Risk is higher in an election year. When a scheduled election is due the Clerk will obtain an estimate of costs from the District Council. There are no measures which can be adopted to minimise the risk of having elections, as this is a democratic process. An allowance will be made to cover future elections.
VAT	Re-claiming/charging	L	The Council has Financial Regulations which set out the requirements. VAT is claimed regularly.
Employers Annual Return	Paying and accounting for NI and Tax of employees salaries	L	Employer's Annual Return is completed and submitted online to the Inland Revenue within the prescribed time frame by the Clerk.
Audit - Internal	Audit completion within time limits	L	Internal auditor is appointed by the Council. Internal auditor is supplied with the relevant documents to audit and the form to complete and sign for the External Auditor.
Annual Return	Completion/Submission within time limits	L	Annual Return is completed and signed by the Council, submitted to the internal auditor for completion and signing, then checked and sent to the External Auditor within the time limit.
Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Full Parish Council Meetings, including a reference to the power used. As per the Financial Regulations.
Minutes/ Agendas/ Notices Statutory documents	Accuracy and legality Business conduct	L L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements and best practice guidelines. Minutes are approved and signed at the following Council meeting. Minutes and agenda are displayed according to the legal requirements. Business conducted at Council meetings should be managed by the Chair. Guidance/training to Chair should be given (if required). Members to adhere to Code of Conduct
Members interests	Conflict of interest Register of Members interests	L M	Although not a requirement, declaring interests by members at a meeting should be an obvious process to remind Councillors of their duty and should remain on the agenda. Register of Members Interest forms should be reviewed regularly by Councillors. Members take responsibility to update their Register

Insurance	Adequacy Cost Compliance	L L L	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for. Ensure compliance measures are in place. . Review insurance provision annually.
	Fidelity Guarantee	M	Should ensure we have coverage in line with the Financial Regulations at next insurance point. Up to then the risk is limited due to the small sums involved in WPC and the checks and balances in place through account checking.
Maintenance	Poor performance of assets or amenities Risk to third parties	L L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditures for these repairs are actioned/authorised in accordance with the correct procedures of the Parish Council. All assets are insured and reviewed annually.
Assets	Loss/damage/injury to third parties	L L	Insurance and asset registers are updated annually.
Meeting location	Adequacy Health & Safety	L M	The Parish Council Meetings are held at Whitsbury Village Hall. The premises and the facilities are adequate for the Clerk, Councillors and Public who attend from Health & Safety, Disability Discrimination and comfort aspects. The Parish Council will abide by any Village Hall risk assessments.
Council records - electronic The Parish	Loss through: Theft, fire, damage corruption of computer	L M	Council's electronic records are stored on the Clerks computer. Back-ups of the files are taken at regular intervals and stored on the Cloud with Microsoft OneDrive.

Reviewed at meeting held on10 November 2025.....

Signed by: ..Melissa Hildreth.....