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|----|--|--|--|--|--|---|---|---|
| 1  | <b>Wickersley Parish Council Risk Register</b> |  | <i>To be Reviewed April 2024 at Full Council Meeting, 15/04/2024</i> |  |  | c |   |   |
| 2  |  |  | Last reviewed May 2023 at Full Council Meeting, 15/05/2023           |  |  |   |   |   |
| 3  |  |  |  |  |  |   |   |   |
| 4  | <b>Category</b>                                | <b>Potential Risk</b>  | <b>Responsibility</b>  | <b>Measures taken</b>  | <b>Action 2023/24</b>  |   |   |   |
| 5  | <b>FINANCIAL RISK</b>                          |  |  |  |  |   |   |   |
| 6  | Banking arrangements                           | Poor controls on banking arrangements open possibility of fraud or misappropriation of funds                                       | Co-operative bank via Post Office or branch                          | Changes to mandate approved by Council Minute.   |  |   |   |   |
| 7  | Due Process-Online banking                     | Currently single authority is in place for BACS payments, this could be potential for fraud or mis-appropriation of funds          | Finance Committee  | In process of moving to dual authority for online payments therefore adding an extra"approval" level with Co-op bank | Aim to be completed by 30/4/2024   |   |   |   |
| 8  | Due Process-Direct debits                      | Poor controls on Direct debits could be potential for fraud or mis-appropriation of funds  | Council  | Review via full council on an annual basis   |  |   |   |   |
| 9  | Borrowing arrangements                         | Potential for fraud or mis-appropriation of funds  | Council  | All borrowing minuted and reviewed within budget statements  | Borrowing subject to Parish Council approval based on business case            |   |   |   |
| 10 | Budget   | Inadequate overall budget causes spending difficulties / financial loss. Over estimating budget, causing increase to reserve value | The Clerk/RFO and Deputy Clerk-finance                               | Reviewed at committee meetings by the Clerk and committee and quarterly throughout year by full council              | Strengthen in year budget management and reporting                             |   |   |   |
| 11 | Business Planning                              | Potential to have only a short-term view of planning. Lack of clarification of allocation of reserves.                             | Finance Committee  | Business Plan in place and reviewed by Finance Committee in conjunction with reserves policy.                        | Requires review; new Business Plan to be developed and agreed during 2023-2024 |   |   |   |
| 12 | Council Financial Regulations                  | Regulations do not reflect any changes in year and Council acts unlawfully beyond its powers.                                      | Council.   | Annual review of adequacy  |  |   |   |   |
| 13 | Expenditure approval                           | Poor controls on spending arrangements open possibility of fraud or misappropriation of funds                                      | Full Council main account  | Payment schedule approved at monthly meeting . Scheme of delegation set within Financial regulations                 |  |   |   |   |

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| 15 | Financial Record keeping           | Poor record keeping leads to inaccurate financial management and inaccurate statements being provided to full council | The Clerk/RFO and Deputy Clerk-finance                  | Sage software and support in use. Full financial records provided by the software package enabling councillors to receive full clear and accurate financial data. This is presented quarterly to full council and to each committee meeting to enable total transparency to councillors and members of the public.  |   |   |   |   |
| 16 | Fraud / Misappropriation of funds  | Financial loss.   | Finance Committee.                                      | One internal audit per annum. One external audit per annum. The Council meet monthly and approve all expenditure. Monthly check of bank reconciliation and balances by finance chair; bank reconciliation presented to Full Council quarterly. Appointment of suitably qualified clerk. Annual review of internal controls. Annual review of the effectiveness of internal audit. | Additional internal check introduced March 2024 by Chair of Finance, following YLCA checklist and part of revision of Internal Control policy |   |   |   |
| 17 | HMRC payments                      | Payments not made may lead to fines or prosecution  | The Clerk/RFO and Deputy Clerk-finance                  | Sage Payroll + support in use. Payments made monthly and reviewed by Council.   |   |   |   |   |
| 18 | Internal audit testing             | Potential for fraud or mis-appropriation of funds   | Phil Parkin-Independent Auditor                         | Testing is based on internal audit principles.  | Re-tender internal audit contract for accounts year 23/24   |   |   |   |
| 20 | Precept                            | Inadequate precept causes overspent budget / financial loss.  | The Clerk/RFO and Deputy Clerk-finance and full council | Precept based on realistic budget. Discussed, approved and signed-off by Council annually. Regular quarterly budget monitoring statements.  | Precept levels to be reviewed as part of Business Plan review.  |   |   |   |
| 21 | VAT payments                       | Payments not made may lead to fines or prosecution  | The Clerk/RFO and Deputy Clerk-finance                  | VAT returns performed at least quarterly, and meets HMRC digital submission requirements.   |   |   |   |   |
| 22 | <b><u>INSURANCE</u></b>            |   |   |   |   |   |   |   |
| 23 | Insurance (robustness of provider) | Financial Loss.   | BHIB Ltd  | Company provide insurance cover for hundreds of local councils.   | Existing insurance contract to be reviewed in 2023/24 (last year of pre-agreed 3 year contract)   |   |   |   |

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| 24 | Insurance Cover (consequential)       | Financial loss.  | BHIB Ltd                   | Reviewed annually and cross-checked against income/expenditure account to determine level of cover required.  |  |   |   |   |
| 25 | Insurance Cover (Employment & public  | Financial loss.  | BHIB Ltd                   | Currently £10m  |  |   |   |   |
| 26 | Insurance Cover (fidelity)            | Financial loss.  | BHIB Ltd                   | Reviewed annually with due regard to maximum exposure. Currently £5m  |  |   |   |   |
| 27 | Insurance Cover (furniture/equipment) | Financial loss.  | Inventory register         | This figure is reviewed annually and cross-checked against the inventory register.  |  |   |   |   |
| 28 | Insurance Cover (physical assets)     | Financial loss.  | BHIB Ltd                   | This cover is index linked. The property (rebuilding) cost is based on insurance revaluations.  |  |   |   |   |
| 29 | Insurance (review of risk)            | Financial loss.  | Internal audit             | Internal Audit is carried out once a year and the Clerk and Auditor review the general risk strategy  |  |   |   |   |
| 30 | <b>GENERAL</b>                        |  |                            |   |  |   |   |   |
| 31 | Asset (maintenance)                   | Potential for loss, damage or mis-appropriation of assets by unauthorised persons. | Council.                   | Inventory register updated annually, equipment inspected.   |  |   |   |   |
| 32 | Contracts (actual)                    | Unlawful contracts entered into leading to financial loss and/or litigation.       | Approved by Council        | Reviewed annually   | Ensure compliance with updated contract guidance re. values  |   |   |   |
| 33 | Contracts of Employment               | Employment Tribunals leading to potential for financial loss, and legal action.    | Council.                   | New contracts issued to reflect changes in legislation.   |  |   |   |   |
| 34 | Employment Law                        | Employment Tribunals leading to potential for financial loss, and legal action.    | Human Resources Committee. | Regular review of effects of changes to employment law via YLCA White Rose Bulletins and action plan approved by Human Resources Committee.   |  |   |   |   |
| 35 | Loss of computer records              | Loss of data.  | The Clerk                  | All documents saved to One Drive (cloud based storage), and backed up using Acronis (via IT provider). Key documents printed and filed in hard copy. Contract with third party IT management company to manage IT requirements. | New IT provider to be sourced 2023/24 due to change in services offered by current provider. An improved storage system to be introduced in 2024 as part of new contract |   |   |   |

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| 36 | Loss of Parish Clerk   | Council unable to function.   | Council.                   | Deputy Parish Clerk-finance and anAssistant Clerks in post. Local qualified clerk cover availale also, YLCA locum cover available if required . |   |   |   |   |
| 37 | Maintenance of vulnerable equipment                                  | Injury leading to financial loss and/or litigation.                             | Handypersons.              | Checked daily by Parish Council Handypersons  |   |   |   |   |
| 38 | Performance measurement  | Employment Tribunals leading to potential for financial loss, and legal action. | Council.                   | Appraisals form part of employment contracts .  |   |   |   |   |
| 39 | Proper reporting in minutes. Minutes signed, paginated and numbered. | Council acts unlawfully if proper minutes not kept.                             | The officer of the meeting | Minutes approved each month. Committee minutes approved at the following committee meeting.   |   |   |   |   |
| 40 | Register of members interests  | Council acts unlawfully if resolutions passed without declarations of interest. | The Clerk                  | New Councillors asked to sign forms. All Councillors asked to review records every year.  |   |   |   |   |
| 41 |  |   |                            |   |   |   |   |   |
| 42 | Updated 3/4/2024   |   |                            |   |   |   |   |   |