

**Debenham Parish Council Financial Risk Assessment – year ending
31.03.2017**

Potential areas of risk

1. Inadequate budget to meet commitments. **Infrequent**
2. Inadequate reserves to deal with emergencies. **Infrequent / Auditors probably suggest good practice to hold one and half times precept in reserve (not requirement but good housekeeping)**
3. Unauthorised expenditure. **Infrequent**
4. Compensation resulting from injury as a result of PC activity / action. **Medium**
5. Inadequate financial regulation of sub-committee activity. **Infrequent**
6. Personnel issues. **Infrequent**

Methods in place to minimise risk

1. Operating in accordance with NALC financial regulations. **Amended to suit local needs (1-5 above)**
2. Full Council meetings monthly (quarterly for FAWG and as necessary by the Employment Committee to:
 - monitor budget; prepare precept for approval by Council in January; support Clerk as RFO in monitoring expenditure against budget for report to Council;
 - approve accounts for payments and note receipts;
 - monitor adherence to financial regulations and monitor their relevance;
 - monitor insurance, investments & assets;
 - review contracts and salaries (1, 2, 6 above)
 - monitor monthly bank reconciliations with bank statements.
3. Invoices and cheque books are presented by Clerk to full Council meeting together with published list of payments, updated to Council for authorisation by resolution & signature by 2 councillors authorised so to do.
 - Stubs and invoices initialled by signatories.
 - No cash payments. No petty cash.
 - Payments and Receipts listed in Minutes
 - Annual allotment rent demands and deposit payments upon new tenancies sent by Clerk to tenants
 - Allotment payments monitored by Clerk and arrears chased where necessary

- Cemetery payments monitored by Clerk and arrears chased where necessary

All monies paid in are by cheque / bank transfer/ warrant.

4. Cheques received to be presented for payment within 7 days where possible. In cases where cheques have to be withheld, Clerk/RFO to notify Council and state on "accounts for payment and receipts" statement.
5. Standard Local Government Insurance for public liability £5,000,000 and personal accident cover for clerk/councillors when engaged on duties in connection with parish council business only £20,000.
Fidelity Guarantee cover to £200,000
Business interruption: date reinstatement cover to £500
6. Operate nationally agreed financial regulations; reviewed and approved annually.
7. Each committee provides written budgetary proposals to November Council meeting (2.1 financial regulations). (1 above)