

# LEWKNOR PARISH COUNCIL

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## RISK ASSESSMENT (as amended 12<sup>th</sup> May 2025)

| ACTIVITY                 | RISK                  | RISK<br>H/M/L | POTENTIAL<br>VICTIM | CONTROLS/MEASURES   |
|--------------------------|-----------------------|---------------|---------------------|---|
| Finance in General       | Fraud or Impropriety  | L             | Public              | 1. Financial Regulations derived from a draft published by NALC have been adopted by LPC and are reviewed annually.   |
| Paying Outstanding Bills | Fraud or embezzlement | L             | Public              | 1. Outstanding bills are paid online: the RFO creates the payments which are then approved online by two councillors (see next box). Payments can still also be made by cheque which requires the signatures of two authorised councillors.<br>2. The list of authorised signatories registered with the bank is kept current.<br>3. Clerk/RFO is not an authorised signatory.<br>4. Members receive invoices to be paid prior to the meeting at which payment is authorised. The members have the copy of the invoice when approving the online bank payment.  |
| Account Management       | Fraud or embezzlement | L             | Public              | 1. Clerk/RFO is unable to withdraw funds from bank accounts, only prepare cheques or create payments online; these are then approved by two councillors.<br>2. Online access to bank accounts is controlled by card reader, PIN and access code. And payments have to have the approval of two councillors.<br>3. Clerk/RFO has the use of a payment card with a monthly payment allowance. All payments on this card are minuted at the next meeting.  |
| Handling VAT             | Failure to recover    | L             | Public              | 1. RFO submits a VAT 126 at least annually reflecting all invoiced VAT plus VAT reflected in Petty Cash receipts.<br>2. This process is validated annually by the Internal Auditor.   |
| Financial Probity        | Fraud or embezzlement | L             | Public              | 1. Bank statements are reconciled against the financial accounts prior to each council meeting for reporting purposes.<br>2. This reconciliation, which is recorded in the minutes, provides a mechanism which would reveal the early loss of a significant sum.<br>3. Mid-year reconciliation endorsed by council member.<br>4. LPC's insurance policy includes a Fidelity Guarantee (Employee Dishonesty) clause for the sum of £25,000.<br>5. See below for contribution by External Auditors.   |
| Financial Probity        | <i>Ultra Vires</i>    | L             | Public              | 1. All payments (except the Clerk's salary and the Clerk's mobile phone contract) are recorded in the minutes and subject to public examination.<br>2. The Clerk's salary is paid by Standing Order which is authorised by LPC and mobile phone payments are paid by direct debit; both are recorded in the Payments spreadsheet which is subject to public examination.<br>3. Accounts are audited by suitably qualified and/or experienced individuals who are sufficiently familiar with the rules to be able to detect improper or inappropriate practices. |

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| Financial Probity     | Extravagance             | L             | Public                    | 1.The level of funding required is assessed using the NALC-approved budgetary calculation.<br>2. Annual expenditure is monitored against budgetary provision.  |
| Financial Probity     | Inappropriate Procedures | L             | Public                    | 1. Clerk/RFO is familiar with appropriate procedures and has access to an appropriate level of support and guidance.<br>2. Councillors all receive copies of all End Of Year financial spreadsheets and the Annual Return which are scrutinised, approved and signed at a full council meeting.<br>3. An Internal audit and an External Audit.   |
| Taxation of Employees | Tax Evasion              | L             | HMR&C                     | The Clerk/RFO pays tax via a Standing Order approved by LPC and officially recorded and monitored via the HMRC online PAYE scheme.   |
| Pension payments      | Fraud or embezzlement    | L             | Public                    | 1. Clerk/RFO completes iConnect each month once payroll is completed in order to submit the pension documentation required by OCC.<br>2. Clerk/RFO records the pension payments in the monthly payments schedule to be approved by 2 councillors.  |
| All                   | Ethics                   | M             | Public & LPC's reputation | 1. Copies of members' Declarations of Interest are held by the Clerk and all business is conducted within the conditions of the Code of Conduct<br>2. The Declaration of Interests is a specific agenda item at every meeting.<br>3. Members are required to submit amended registerable interests as these arise.   |
| All                   | Procedural probity       | L             | Public                    | 1. LPC routinely meets monthly (except August), although extraordinary meetings are held if/when necessary. The minutes of meetings (including those of any interim meetings) are formally reviewed and approved at the next meeting.<br>2. Agendas are published at least three days in advance of meetings and posted on the three parish noticeboards as well as on the council's website.<br>3. Model Publication Scheme adopted wef 1 January 2009 all specified documents may be viewed by appointment and hard copies supplied. Most documents are made available on the Council's website. |
| Holding property      | Theft or vandalism       | L             | Public                    | 1. A register of tangible property owned by LPC is updated annually.<br>2. The value of LPC-owned property is assessed annually and insurance cover is adjusted accordingly.<br>3. Most moveable property is kept at the Clerk's private residence where it is provided with no more than standard domestic-level security, which is adequate, since the property has little intrinsic value. The salt spreaders are kept securely at councillors' residences.   |

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| Public activities           | Injury               | L             | Third Parties       | <ol style="list-style-type: none"> <li>LPC does not own, administer or promote sports, allotments, car parks, public toilets, cemeteries or any other such facilities, except: <ol style="list-style-type: none"> <li>One bus shelter which is inspected annually and repaired as necessary.</li> <li>Three public notice boards which are inspected monthly and repaired as necessary.</li> <li>Five dog hygiene bins that are inspected (emptied) weekly.</li> <li>Three defibrillators</li> <li>Three salt spreaders (items not insured but LPC is insured for their use on pavements).</li> <li>Six heavy duty benches installed around the parish.</li> </ol> </li> <li>Third party insurance cover is provided by the insurance policy.</li> <li>The bus shelters, noticeboards, dog bins and benches inspected every 6 months.</li> </ol> |
| Members activities          | Injury               | L             | Members             | <ol style="list-style-type: none"> <li>The insurance policy provides some cover for Members when on LPC business.</li> </ol>   |
| Employees activities        | Injury               | L             | Clerk/RFO           | <ol style="list-style-type: none"> <li>LPC's only employee is a part-time Clerk/RFO who works from home.</li> <li>The insurance policy provides some cover for the Clerk when on LPC business.</li> </ol>  |
| Data Protection             | Breach               | L             | Public              | <ol style="list-style-type: none"> <li>LPC holds limited personal data but councillors and clerk are aware of the GDPR laws. Consent has been/will be sought from all members of public whose personal data is held by LPC.</li> <li>LPC is registered with the Information Commissioner's Office (ICO).</li> </ol>  |
| Financial and Other Records | Loss                 | M             | LPC (& Public)      | <ol style="list-style-type: none"> <li>All LPC electronic data and documents are backed up in "the cloud" in a password-protected DropBox.</li> </ol>  |
| Clerk/RFO                   | Death or Resignation | M             | LPC                 | <p>None. If/when it happens LPC should advertise locally and via OALC for a replacement. In the interim a councillor may discharge the responsibilities of the Clerk, but may not receive any remuneration for this, and a councillor may also fill the post of an unpaid 'finance officer' (NB <u>not</u> RFO), specifically created for the purpose, pending the appointment of a new RFO.</p>   |