

## Newport Parish Council – Risk Assessment 2025/26

<b>FINANCE, GOVERNANCE AND MANAGEMENT</b>				
<b>Subject</b>	<b>Risk(s) Identified</b>	<b>H/M/L</b>	<b>Management/Control of Risk</b>	<b>Review/Assess/Revise</b>
Business continuity	Risk of Parish Council not being able to continue its business due to an unexpected circumstance	L	All files and recent Parish Council records are kept by the Clerk. Regular back-ups of files are made to an external source. In the event of unexpected circumstances, the Council may appoint temporary personnel. Burial Clerk to maintain appropriate records for the Newport Burial Grounds.	Existing procedures adequate. Review when necessary.
Precept	Adequacy of budgetary process and precept in order for the Council to carry out its Statutory duties	L	To determine the precept amount required, the Council regularly receives budget update information. At the precept meeting Council receives a budget report, including actual position and projected position to the end of year. With this information the Council maps out the required monies for revenue expenditure, reserves and projects for the following year and applies specific figures to budget headings. The precept will be for a fixed sum of money and will only be finally determined by the full Council when all relevant facts are known to the Council.	Financial Regulations in place. Existing procedures ensure that an accurate Precept is requested from East Riding of Yorkshire Council in January each year by the Clerk in writing.  Receipt of the precept is reported by the Clerk to the council.
Financial records	Inadequate records Financial irregularities	L	The Council has Financial Regulations that set out the requirements. S137 payments must be identified. Financial report at monthly meetings. Internal auditor carries out audit annually and reports any discrepancies which are corrected.	Existing procedure adequate. Review the Financial Regulations annually
Bank and banking	Lack of control over banking/ procedures/checks	L	The Council makes all payments via an online business banking account. The Council has Financial Regulations that set out the requirements for banking, and reconciliation of accounts including monthly reconciliation/reports presented at Parish Council meetings. If the bank makes an error this would be discovered when the Clerk reconciles the bank accounts once a month with the bank statements this would be dealt with immediately by informing the bank and awaiting their correction.	Existing procedure adequate. Review the Financial Regulations/ bank mandates when necessary.
Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations that set out the requirements. The Council does not operate a petty cash system. Cheques received are banked promptly. The Council's insurance policy has a Fidelity Guarantee.	Existing procedure adequate. Review the Financial Regulations when necessary. Ensure Fidelity Insurance is adequate.
Reporting and auditing	Inadequate information presented to the Council	L	A budget monitoring statement is produced at each Council meeting. A full list of payments and receipts is provided at each	Existing communication procedures adequate.

	Failure to comply with statutory requirements		meeting and the financial records including a breakdown of receipts and payments balanced against the bank statement are presented. The Clerk should carry out internal control checks regularly and any report issues at meetings. Internal auditor carries out audit annually.	Internal control document in place. Financial Regulations in place. Clerk to assess activities via internal control document. Annual appointment of independent internal auditor.
External Audit Annual Return	Submit financial documentation as required within time limits	L	AGAR part 3 completed and signed by the Council The Clerk to ensure that further requests from the External Auditor are responded to promptly and reported to the Full Council.	Existing procedures meet requirements.
Payments and receipts	Unauthorised procurement of and/or payment for goods/services Goods not supplied but billed Incorrect invoicing Unpaid invoices Cemetery invoices	L	Payment and procurement authority vested in the Clerk Procurement and payment by resolution of the council Invoices not paid until goods received. The Clerk checks each invoice for receipt of goods/services/expenses for accuracy. Unpaid invoices issued by the Clerk are pursued. Invoices issued by the Burial Clerk must be paid in advance.	Existing procedure adequate. Review the Financial Regulations and Cemetery Rules when necessary.
VAT	Not reclaimed from HMRC	L	Financial Regulations which set out the procedures to be followed. Reporting to council of VAT recovered.	Existing procedures meet requirements.
Employees	Lack of compliance with statutory duties	L	Appointment and customised Contracts of Employment Terms agreed by council resolution in place for all employees. Salaries are based on NJC rates. Annual review of salaries to be undertaken before Annual Precept is agreed HMRC real time procedures followed for NI and PAYE	Policies in place. Existing procedures meet requirements
Legal Powers	Illegal and/or unauthorised activity or payments	L	All activity and payments within the powers of the Parish Council to be approved at full Council Meetings and in accordance with Financial Regulations and Standing Orders. Control presented through monthly finance reports	Existing procedures meet requirements
Minutes/agendas/ Notices/Statutory Documents`	Accuracy and legality relating to official business documentation.	L	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements. Minutes are consecutively numbered with each individual page initialled by the chair and the final page signed and dated by the chair. Agenda displayed according to legal requirements. Agenda items requiring a resolution must be listed individually. Business conducted at Council meetings should be managed by the Chair	Existing procedures meet legal requirements. Councillors adhere to Code of Conduct
Councillors' interests	Conflict of interests Register of members interests	L/M	Declarations of interest declared by members at Council meetings are minuted. Register of members interest's forms reviewed annually, publicised on the website and forwarded to East Riding of Yorkshire Council	Existing procedures adequate. Councillors take responsibility to update register when required.

Insurance	Adequacy Cost Compliance Fidelity Guarantee	L	An annual review is undertaken of all insurance arrangements to include: <ul style="list-style-type: none"> <li>• Employers and Employee liabilities</li> <li>• Fidelity</li> <li>• Public Liability</li> <li>• Contractors provided evidence of public liability insurance</li> </ul>	Existing procedure adequate. Insurance reviewed annually. Health and safety policy in place.
Data protection	Policy provision	L	The Parish Council is registered with the Information Commission's Office.	Ensure annual renewal of registration. Data protection and GDPR policies in place.
Freedom of Information	Policy Provision	L	The Council has a Model Publication scheme in place. Fees for information should be based on time management in obtaining such information.	Existing procedure adequate Monitor any requests made under FOI rules.
Assets	Loss or damage Risk/damage to third party persons and property.	L	An annual review of assets is undertaken for insurance provision	Existing procedures meet requirements. Asset register in place, updated as necessary.
Maintenance	Poor performance of assets or amenities. Risk to health and safety to the general public.	L	All assets owned by the Parish Council are regularly visually inspected, reviewed and maintained. All repairs and relevant expenditure relating to repairs are actioned/authorised in accordance with the correct procedures of the Parish Council. An annual inspection of play equipment is carried out by a qualified third party to comply with RoSPA requirements. Reported faults/damage are dealt with promptly under the Clerk's delegated responsibilities.	Existing procedures meet requirements.
Notice Boards	Risk of damage	L	The Parish Council currently has one notice board, one community notice board and a cemetery notice board. No formal inspection procedures are in place, but any reports of damage or faults are reported to the Parish Council and dealt with in accordance with Council procedures.	Existing procedures meet requirements.
Meeting locations	Adequacy Health & Safety	L	The Parish Council meeting is held in a venue considered to have appropriate facilities for the Clerk, members, and the general public. The venue is compliant with Disability Laws.	Venue meets requirements.
Council records – paper	Loss through: Theft Fire damage	L	The Parish Council records are stored at the home of the Clerk/RFO. Records include minutes, historical accounts, legal documents, data protection records and Member's declaration of interests. All documents are kept secure.	Damage (apart from fire) and theft is unlikely and so provision meets the expected requirements.
Council records – electronic	Loss through: Theft, fire damage or corruption of computer	L	The Parish Council stores communications and all other records on computer at the home address of the Clerk/RFO. Back-ups of electronic data are made at regular intervals.	Existing procedures meet requirements
Website security/social media	Risk of website being hacked Risk of misleading, inappropriate or libellous content Relevance of content	M	Appointed appropriate organisation to maintain security and provide webmaster service. Restricted administration rights	Social Media Policy in place. Specific social media platforms must be approved by resolution All postings/removals must be approved by the Clerk

				Councillors must be notified of postings
Grants	Receipt of grants	L	Grant applications/procedures are followed, and decisions shared with members as and when relevant.	Existing procedures meet requirements
Grants and support payable	Authorisation of Council to pay	L	All such expenditure must adhere to the Council's Financial Regulations, minuted and listed accordingly if a payment is made using S137 powers of expenditure.	Existing procedures meet requirements
Best value accountability	Work awarded Incorrectly. Overspend on services.	L M	Financial Regulations followed. Quotations/estimates obtained where required. Financial controls to be undertaken and monitored. Procurement procedures to be followed. Following Parish Council approval, where possible, local trades people will be awarded contracts/work	Existing procedures meet requirements
Employees	Fraud by staff  Health and safety	L  L	Requirements of Fidelity Guarantee insurance adhered to with regards to fraud. Finance reports presented. End of Year information reported/internal and external audit controls All employees to be provided adequate direction and safety equipment needed to undertake their roles	Existing procedures meet requirements

### Newport Parish Council Financial Risk Assessment Addendum – March 2025

Risk Area	Risk Identified	Level of Risk (H/M/L)	Management of Risk	Action Required	Review Date
Assets owned by council	Loss or damage	High	An up-to-date register of assets and investments. Insurance for individual equipment/ contents as necessary. Maintenance of equipment.	Review quarterly by council; check asset list is current and values accurate.	March 27
Damage to property or individuals	Public liability	High	Maintain property and equipment (in line with regulations) Implement inspections where necessary (playgrounds, memorials, trees) and document findings. Implement external inspections as required. Ensure adequate insurance cover for public liability, buildings and contents. Review insurance annually.	Maintenance contractors to report any issues weekly. Clerk inspection monthly.	March 27

Banking arrangements	Loss of cash	Low	Adoption of Financial Regulations. Internal controls reviewed by council and auditor. Monthly Bank reconciliations Regular presentation of statements, receipts, payments and balances. Schedule of accounts for payment authorised at council meeting. Spending authorised in line with identified Council Powers. All payments undergo authorisation process. Clerk appropriately trained Section 137 recorded separately.		July 26
HMRC	Incorrect VAT or NI	Medium	Using software for making tax digital for VAT. Using payroll systems to ensure NI is correct.	Returns made on time.	March 27
Insurance	No or incorrect insurance	Medium	Employer liability Insurance in place. Fidelity guarantee in place to ensure against fraud. Adequate level of public liability cover in place. Accurate building and contents insurance, based on asset register values. Personal Accident for cllrs, trustees, volunteers and employees working on councils behalf. Abide by terms and conditions of insurance to ensure validity.	Covered reviewed annually and insurance renewed on time. Insurance displayed as required. Insurance documents kept in line with retention policy. Refer to insurer when there are potential legal issues or concerns.	July 26

The council has reviewed the financial risks it must manage and has resolved to adopt the following policy:

### 1. Handling Cash

The parish council does not handle cash on a daily basis. Regular income sources include the precept, bank interest, and the annual VAT return, all of which are paid directly into the council's bank account. Any cash received collected as soon as practical in the HSBC Community Account and recorded on the scribe accounting software.

### 2. Insurance

The council has the following insurances with Aviva Insurance.

#### 2.1 Employers Liability

The council employs a clerk and has employers liability cover up to £10,000,000

## **2.2 Public Liability**

The council has public liability cover up to £10 million under its policy.

## **2.3 Fidelity Guarantee**

The council has fidelity guarantee cover up to £150,000

## **3. Contracts and Tendering**

The council has a mandatory standing order in place for contracts.

## **4. Banking Arrangements**

Cllrs R Bate, S Mansell, J Preston, G Shields and G Bate and Clerk A Barker are authorised cheque signatories. In compliance with banking requirements and legal obligations, two councillor signatures are required for all cheques, which are only signed during council meetings.

The clerk has access to telephone banking and is the sole registered user. This service is strictly limited to transferring funds between accounts and checking balances.

The council utilises the BACS system for payments, with appropriate measures in place to minimise risks in this process.

## **5. Bank Reconciliation**

The council receives a monthly budget-versus-expenditure statement, including bank balances, along with copies of bank statements to correspond with the reconciliation period.

## **6. Cashbook Records**

The cashbook is maintained on the Scribe software and updated following each meeting.

## **7. Internal Audit**

The council has appointed an independent internal auditor. Audits are conducted by Brian Brooks.

## **8. Internal Control**

The council has established an internal control system with defined criteria for appointed councillors. Cllrs Mansell and Preston are designated at the annual meeting to carry out internal control checks throughout the year, as set out in the council's policy (see Financial Regulations).

## **9. PAYE and Workplace Pensions Compliance**

The council verifies PAYE payments to HMRC through P32 form printouts. It also ensures compliance with automatic enrolment and workplace pension duties, including maintaining a declaration of compliance and records of monthly pension payments.

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### **Financial Risk Assessment adopted/updated at a meeting of Newport Parish Council.**

**Date of meeting:** 11<sup>th</sup> March 2025

**Chairman:** Cllr S Mansell

**Responsible Financial Officer:** A Barker

Policy Reviewed and updated 8th February 2022 – REF 2022 02 10

Reviewed by Newport Parish Council 07.02.23 Minute Ref 2023/02/09 – No updates.

Reviewed by Newport Parish Council 12.03.24 Minute Ref 2024/03/09 – No updates.

Reviewed by Newport Parish Council 11.03.25 Minute Ref 2025/03/09 – Updated in line with the guidance received from ERNLLCA. Information from “Newport Parish Council Financial Risk Assessment Addendum – March 2025” onwards added. Updates re the Burial Clerk and frequency of meetings.

Reviewed by Newport Parish Council 10.03.26 Minute Ref 2026/03/08 – No updates.