



Financial Risk Assessment Policy

The Responsible Finance Officer (RFO) has determined a system of financial controls with reference to the Governance & Accountability for Local Councils – Practitioners Guide 2023.

Financial controls

- The Full Council, not a Committee, has considered, approved and adopted the annual precept for the coming year in accordance with the Parish timetable.
- The financial transactions of the authority are recorded as soon as, and as accurately as, reasonably practicable.
- Measures and the reconstitution of any lost records.
- Measures to ensure that risk is appropriately managed.
- A monthly payment list is prepared and approved.
- A monthly and quarterly statement provide the basis for the accounting statements and are approved by members and signed as part of the regular minute record, to enable the prevention and the detection of inaccuracies and fraud,
- The budget is reviewed against actual expenditure and allows for early warning about the likelihood of a shortfall (or surplus) and what actions need to be taken.

Financial Regulations

- Are in place governing how it operates and are reviewed from time to time.
- These are regularly reviewed, fit for purpose, and adhered to.
- Practical and resilient arrangements exist covering how the authority orders goods and services, incurs liabilities, manages debtors, makes payments, and handles receipts.
- Changes to accounts with banks or other financial institutions to be approved by full council.

Banking

- The Parish Council has a banking account with an appropriate regulated institution.
- General and Earmarked Reserves: amounts are held for genuine and identifiable purposes and projects, and their level should be subject to regular review and justification.
- Changes to accounts with banks or other financial institutions to be approved by full council.
- The RFO has access to internet banking.
- Cash or cheques are banked as appropriate but no later than the month of receipt.

Assets/Inventory Account

The Parish Council has an asset register/inventory account, this is required and is the starting point for any system of financial control over tangible assets.

Insurance Policy.

The Policy provides for the protection of physical assets.

Insurance is a significant way of managing and reducing risks relating to property, cash and legal liability.

Appropriate levels of insurance cover are in place for land, buildings, public and employers' liability and fidelity guarantee for the RFO and are reviewed from time to time.

Internal Audit

The Parish Council appoints an independent internal auditor, who prepares an annual report which is presented to Parish Councillors.

External Audit

The external auditor is appointed by Smaller Authorities' Audit Appointments Limited.

Financial Risk Assessment

The Parish Council has identified, assessed and recorded the risks and has addressed them via the following risk assessment:

Subject	Risk(s) Identified	High/Medium/Low	Management/Control of Risk
Precept.	Inadequate Precept.	Low	Budget Monitoring Records are maintained by the clerk.
	Notification of Funding Requirement not submitted to Leeds City Council.	Low	Leeds City Council notify the clerk of the deadline for the submission of the Notification of Funding Requirement Form.
	Precept not received by the Council.	Low	The Clerk, as Responsible Finance Officer (RFO), checks the bank account.
Financial Records.	Inadequate recording of financial transactions.	Low	A Receipts and Payments Record is maintained by the clerk monthly. The Receipts and Payments Record is checked against the Budget Monitoring Record on a quarterly basis.
Grants/CIL	Not receiving grant funding or CIL funding	Low	The Clerk is to ensure that all expected grant payments CIL payments are received at the correct time.
	Not following the grant claims procedure.	Low	The Clerk ensures that any claims received from Community organizations are adhered to. The Clerk ensures that all annual grants are budgeted for.
Value Added Tax (VAT).	Failure to reclaim VAT.	Low	The Council reclaims VAT as set out in the Financial Regulations. The amount claimed is identified on the Monthly
Salaries. PAYE and NI payments	Salary and expenses paid incorrectly.	Low	The Council is a member of YLCA who advise on rates of pay. A payroll service provider is employed to

	Payroll Administration.	Low	undertake all payroll duties/tasks. The Council is presented with the Clerk's wage and expenses claims each month for approval. Payroll is outsourced.
Election Costs.	Risk of an election cost.	Low	Risk is assessed with reference to the number of vacancies on the Council. Risk is higher in an election year. When a scheduled election is due the Clerk will obtain an estimate of costs from Leeds City Council.
Audit	Internal Auditor not appointed External audit is not completed within the set deadline. Documents relating to AGAR are not published on the website and/or noticeboard.	Low Low Low	The Clerk notifies the Parish Council of the appointment. This is identified on the agenda. The AGAR Form 3 1&2 documents are identified on the agenda and signed by the Council. Notification is received from the appointed body. The clerk publishes all AGAR documents on the website and noticeboard within the set timeframes. Notification is received from the appointed body.
Asset Register/Inventory Account	Asset Register is not up to date for External Audit.	Low	Yearly review conducted.

Financial Risk Assessment Policy adopted at the Parish Council meeting held on 20th August 2024.

• Chairman:
Name Sarah Bradley
Signature

Clerk/Responsible Financial Officer:
Name Barry Riley
Signature