

16<sup>th</sup> January 2020



Dear Councillor,

You are summoned to attend a meeting of Mawnan Parish Council Office & Finance Committee on Thursday 23<sup>rd</sup> January 2020 at 7.00pm The Rendlesham Room, Mawnan Memorial Hall, Mawnan Smith.

Yours faithfully,

Lisa Clements  
Clerk to the Council

#### **AGENDA**

- 1) TO RECEIVE APOLOGIES FOR ABSENCE**
- 2) MEMBERS TO DECLARE DISCLOSABLE PECUNIARY AND NON-REGISTERABLE INTERESTS (INCLUDING DETAILS THEREOF) IN RESPECT OF ANY ITEMS ON THE AGENDA AND ANY GIFTS OR HOSPITALITY EXCEEDING £50**
- 3) TO CONSIDER REQUESTS FROM COUNCILLORS FOR DISPENSATIONS**
- 4) PUBLIC COMMENT ON ITEMS ON THE AGENDA**
- 5) TO RECEIVE AND APPROVE THE MINUTES OF THE MEETING OF THIS COMMITTEE HELD ON THE 5<sup>th</sup> DECEMBER 2019 AND THE CHAIRMAN TO SIGN THEM**
- 6) TO BE ADVISED OF ANY INFORMATION PERTAINING TO PREVIOUS MINUTES, AMENDMENTS AND ACTIONS AGREED THEREIN (including signing off on quarter's bank statements)**
- 7) REVIEW OF CURRENT BUDGET POSITION 2019/20 (3rd quarter) AND DISCUSSION OF ANY AMENDMENTS FORESEEN**
- 8) INTERNAL AUDIT REVIEW & UPDATE**
- 9) ANNUAL REVIEW OF INTERNAL FINANCIAL CONTROLS, FINANCIAL RISK ASSESSMENT & HEALTH AND SAFETY UPDATE**
- 10) DISCUSSION ON THE PROCESS OF POSTING OUT FULL AGENDAS & ASSOCIATED PAPERS – is posting these out in full environmentally sustainable?**
- 11) MOVING TO ACCOUNTING SOFTWARE – review of options & provisional agreement to start 1<sup>st</sup> April (with future discussion via email with a view to take decision on supplier to March Full Council meeting )**
- 12) SUMMARY OF THE ONGOING MCA LEASE DISCUSSIONS**
- 13) CONTINUING DISCUSSIONS ON OFFICE ACCOMMODATIONS (to include draft public consultation proposals and funding strategy)**
- 14) TO AGREE A DATE FOR THE CLERKS ANNUAL PERFORMANCE REVIEW PRIOR TO 1<sup>ST</sup> APRIL 2019**



**MINUTES OF A MEETING OF THE OFFICE AND FINANCE COMMITTEE OF MAWNAN PARISH COUNCIL HELD ON WEDNESDAY 5<sup>TH</sup> DECEMBER AT 10AM IN THE RENDLESHAM ROOM, MAWNAN MEMORIAL HALL**

**PRESENT: Cllrs Marsden (chair), Faiers, Moyle (late), Nash & Prasad**

**ALSO PRESENT: Mrs L Clements, clerk**

301.19F **TO RECEIVE APOLOGIES FOR ABSENCE** - none

302.19F **MEMBERS TO DECLARE DISCLOSABLE PECUNIARY AND NON-REGISTERABLE INTERESTS (INCLUDING DETAILS THEREOF) IN RESPECT OF ANY ITEMS ON THE AGENDA AND ANY GIFTS OR HOSPITALITY EXCEEDING £50** – none noted

303.19F **TO CONSIDER REQUESTS FROM COUNCILLORS FOR DISPENSATIONS** – none noted

304.19F **PUBLIC COMMENT ON ITEMS ON THE AGENDA** - none noted

305.19F **TO RECEIVE AND APPROVE THE MINUTES OF THE MEETING OF THIS COMMITTEE HELD ON THE 15<sup>TH</sup> OCTOBER 2019**

It was proposed by Cllr Faiers seconded by Cllr Prasad and

**RESOLVED** that the minutes of the meeting held on 15<sup>th</sup> October 2019 be approved and signed by the Chair

on a vote being taken the matter was approved unanimously

A question on voting was also discussed at this point – when and why could a named vote take place and why were abstentions not recorded by name? The clerk explained that a *recorded vote* could take place for any item at any meeting provided it was requested BEFORE any motion was made or voting began. This could either be by written ballot or a simple recorded show of hands (which could be difficult for the clerk to record everyone during the voting). We choose not to record names where abstentions occur as we do not record who votes which way.

306.19F **TO DISCUSS CURRENT/ FUTURE RESERVES** - this may include preliminary figures on new Admin Hub costs

The clerk explained that her draft budgets did not include adjustments that may impact on the new Admin Hub (such as changes to insurances, rent, rates, set up costs...) – as they had not been fully costed as yet by Cllr Marsden. Cllr Marsden also mentioned an amendment to the Administration Hub plans, but agreed that this needed to come before the whole council in December. This would have a significant effect on the funding position and uses of reserves.

The clerk was concerned about the VAT position as it stands and if the Hub could reclaim VAT on at least a portion of the build works as a community hall. Cllr Prasad was looking into this. The clerk did say that she was confident that if we wrote in advance to HMRC explaining our project and the need to undertake multiple (maybe even monthly) VAT claim submissions that it should be feasible to

reclaim VAT as we went along to keep the parish cash flow nominal. She did say the Gwithian/Gwinear had just had a brand new office/community hall built and that she would contact the clerk there to discuss how this was managed; it was decided that Cllr Prasad would do this after the clerk had made initial enquiries.

Following on from these discussion an amended budget, with some inclusions for the new Administration Hub was tabled.

Cllr Nash was concerned about the 'future funding pot' for the graveyards – especially in light of the upcoming account movement (to split out from general parish funds and have as a graveyard specific account). It was agreed to try to spend income first, then dip into precept funds, returning this in the following year if any funds 'left over'.

307.19F **TO DISCUSS THE ANNUAL SOLAR GRANT ALLOCATION INTO THE BUDGET & PROPOSAL FOR FULL PARISH COUNCIL (income looking to be £6900ish for 2019)**

It was proposed by Cllr Faiers seconded by Cllr Prasad and **RESOLVED** that the Solar Grant Fund contribution be reduced to £1000 into the 2020/21 'Donations/Grants' budget line but that this could be reviewed in year if necessary.

on a vote being taken the matter was approved unanimously

308.19F **TO AGREE THE PRECEPT/ BUDGET TO BE PROPOSED AT THE FULL COUNCIL MEETING IN DECEMBER.**

There were discussions about raising the receipt to cover the [contingency] needs of the parish above the 4% previously discussed, in light of the amendments made to the budget to reflect the use of accrued reserves funds needed for the Administration Hub. There were also areas beyond our remit (such as further services devolution, funding for Climate Change (emergency planning), a cap in future from Central Government and Brexit) which it was felt prudent to address with an above normal increase. It would equate to a parish portion increase of approx. £4.58 per household. It was felt possible to justify the increase to parishioners.

It was proposed by Cllr Faiers seconded by Cllr Moyle and **RESOLVED** that the precept be increased by 9.9% to £48917.00 for 2019/20 and the budget be set at £ £51448.90.

on a vote being taken the matter was approved unanimously

the meeting finished at 11.30am

<b>Bank Reconciliation - Q3 (Sept to Dec)</b>			
<b>Council Name:</b>	Mawnan Parish		
<b>Prepared by:</b>	Mrs Lisa Clements(clerk & RFO)		
<b>Date:</b>			
<b>Balance per bank statements as at: 31.12.19</b>		£	£ Total
Current Account - Lloyds		£1,362.21	
Deposit Account - Lloyds		£76,467.23	
95 Day Saver Account - Nationwide		£32,116.56	
			<b>£109,946.00</b>
<b>Less: any un-presented cheques</b>			
(normally only current account)			
Cheque number			
	2851	£36.95	
	2855	£53.90	
	DD	£530.19	
	2846	£213.00	
			<b>£834.04</b>
<b>Add any unbanked cash</b>			
<b>Plus unreconciled debit card payments:</b>			<b>£125.89</b>
<b>Net bank balances</b>			<b>£109,237.85</b>
The net balances reconcile to the Cash Book (receipts and payments account) for the year, as follows			
<b>CASH BOOK</b>			
Opening Balance April 2018			£100,397.83
Add: Receipts in the year			£61,544.62
Less: Payments in the year			-£52,704.60
Closing balance per cash book [receipts and payments book] as at end of month (must equal net bank balances above)		<b>£109,237.85</b>	amount we have on hand @ bank



Budget Tracking for the Year 2019/20				Mawnan Parish Council : Precept £42760.00					
please note totals are CUMULATIVE not period based									
	End of Year 2018/19	2019/20 FINAL	2019/20 Q1 revised budget	Q1 Ytd 30/6/19	Q2 Ytd to 30/9/19	Q3 Ytd to 31/12/19	% spent of budgeted (revised)	2019/20 projected end of year	explanation of variances/ notes
<b>Income</b>									
Precept	£42,760.00	£44,470.40	£44,470.40	£22,235.20	£44,470.40	<b>£44,470.40</b>		£44,470.40	only precept & CTC grant used to set budget (guaranteed)
CTS Grant	£678.24	£617.44	£617.44	£307.39	£614.77	<b>£614.77</b>		£614.77	
CC - Footpaths/SWCP/Weeding	£1,416.50		£1,450.00	£0.00	£0.00	<b>£1,459.02</b>		£1,459.02	
Bank Interest	£296.12		£300.00	£108.79	£116.95	<b>£128.99</b>		£230.00	
Misc publications	£557.95		£1,000.00	£1,200.00	£1,585.83	<b>£2,072.81</b>		£2,100.00	AED contrib- paid from grants
Graveyard	£775.56		£0.00	£0.00	£0.00	<b>£300.00</b>		£1,000.00	
Solar Farm	£5,225.00		£4,500.00	£1,100.00	£2,300.00	<b>£5,075.00</b>		£5,500.00	
NDP grant	£6,875.00		£6,500.00	£0.00	£0.00	<b>£0.00</b>		£6,300.00	
VAT Reclaimed & received	£5,117.00		£3,883.00	£0.00	£0.00	<b>£3,730.00</b>		£3,730.00	offset against expenditure - put into budget
	£2,197.28			£3,693.63	£1,575.61	<b>£3,693.63</b>		£4,000.00	
<b>Total Income</b>	<b>£65,898.65</b>	<b>£45,087.84</b>	<b>£62,720.84</b>	<b>£28,645.01</b>	<b>£50,663.56</b>	<b>£61,544.62</b>		<b>£69,404.19</b>	
<b>Expenditure</b>									
VAT paid (total in year)	£3,159.22			£1,365.90	£2,387.94	£3,390.40		£4,000.00	
Administration/Rent	£4,854.58	£4,600.00	£5,000.00	£1,907.94	£2,154.99	£4,102.00	82.0%	£4,550.00	
Insurance	£744.67	£800.00	£800.00	£722.46	£772.46	£772.46	96.6%	£772.46	paid for year
Meeting Room Hire	£309.00	£425.00	£425.00	£0.00	£232.00	£232.00	54.6%	£450.00	
Internal Audit Fee	£225.00	£250.00	£250.00	£225.00	£225.00	£225.00	90.0%	£225.00	paid for year
External Audit Fee	£300.00	£300.00	£300.00	£0.00	£300.00	£300.00	100.0%	£300.00	
Parish Council Website	£60.38	£100.00	£100.00	£0.00	£0.00	£0.00	0.0%	£50.00	
Publications	£1,177.14	£0.00	£0.00	£0.00	£0.00	£1,670.67	#DIV/0!	£1,671.00	? Footpath leaflet reprint. £1200R
Salaries	£13,256.07	£12,620.00	£13,708.40	£3,358.99	£7,016.82	£10,775.58	78.6%	£14,300.00	
Training & Conference Fees	£122.91	£1,000.00	£1,000.00	£9.37	£149.37	£537.77	53.8%	£550.00	
Chairman's Allowance	£0.00	£100.00	£100.00	£0.00	£0.00	£18.87	18.9%	£0.00	
Professional Subscriptions	£688.60	£750.00	£750.00	£887.80	£887.80	£887.80	118.4%	£890.00	paid for year
Paths & Open Spaces	£3,042.10	£3,400.00	£3,400.00	£916.09	£2,207.76	£2,762.98	81.3%	£3,240.00	
Public Services	£4,168.13	£3,500.00	£3,500.00	£1,292.89	£2,129.92	£3,419.79	97.7%	£4,390.00	
Misc	£1,394.49	£100.00	£100.00	£279.46	£474.46	£886.28	886.3%	£900.00	future office funding added as new line (£350)
NDP grant funding	£2,275.76	£0.00	£6,724.24	£24.74	£2,829.01	£3,301.44	49.1%	£0.00	balance should be returned at EOY
NDP parish funded	£397.77	£0.00	£3,557.98	£0.00	£0.00	£0.00	0.0%	£3,557.98	cfw balance
S19 - Carwinion Playing Field	£5,363.00	£6,240.00	£6,240.00	£1,823.00	£3,277.00	£4,500.00	72.1%	£6,240.00	
S19 - Junior Playing Field Trust	£2,658.00	£3,377.00	£3,377.00	£808.93	£1,655.67	£2,160.67	64.0%	£3,377.00	
Donations/Grants	£7,480.45	£2,000.00	£7,000.00	£5,973.75	£7,493.75	£8,293.75		£8,300.00	£1216.58R to come in from community groups. Vat reclaim to cover training (£270.36)
Graveyard -S314	£4,719.09	£2,000.00	£6,709.00	£1,676.96	£3,025.95	£4,467.13	66.6%	£5,281.00	
<b>TOTALS (inc VAT)</b>	<b>£56,396.36</b>	<b>£41,562.00</b>	<b>£63,041.62</b>	<b>£21,273.28</b>	<b>£37,219.90</b>	<b>£52,704.59</b>	<b>83.6%</b>	<b>£63,044.44</b>	
excess over budget	£9,502.29		-£320.78	£5,253.71	£13,443.66	£8,840.03		£6,359.75	figures with an R after them denote reimbursed items

**FINANCIAL INTERNAL CONTROLS - 2019/20**

Green items are either new or amended

Risk = Likelihood x Impact 1-2 = acceptable 3+ - item requires control measures		Likelihood						Impact					
		1	2	3	Low	Medium	Unacceptable	1	2	3	Low	Medium	Unacceptable
Risk/ Hazard Area	Likelihood	Impact	Initial Risk	Control measures/ Recommendations	Control measures implemented by	Manual / System control	prevention or detection control	Control frequency					
<b>Petty Cash</b>	1	1	1	There is no cash used									
<b>Cheques:</b>													
Blank cheques signed	1	2	2	All cheques reviewed against invoices at time of signing - all signatories told to not sign incomplete cheques. Electronic banking to phase this out (Jan 2020)	Clerk	m	p	The Clerk ensures that all invoices are prepared for payment and the checks are made by a designated Councillor at the Full Council meeting					
Unsigned cheques processed.	1	1	1	Mandate in force to ensure two signatures per cheque. Mandate reviewed annually.	MPC	s	p	All payments are checked on monthly basis at the Full Council meeting.					
Cheques have incorrect signatures	2	1	2	The stubs are also initialled by the signatories. All issued cheques are checked against invoices by a Councillor who also initials the invoice. Bank claims of "changed over time" signatures delay processing.	Clerk	s	p	Use of accounting software being investigated to produce reports for verification prior to signing for electronic payments.					
False payments made	1	3	3	All payments are reported at Full Council meetings and listed in the Minutes. Bank reconciliation performed monthly	MPC Clerk	m m	p d	Reported monthly; info on website bi-annually listed payment >£500					
Inaccurate processes used	1	3	3	Invoices that require settlement between Full Council meetings are submitted for checking and authorisation to two Councillors (signatories) and listed and approved at next appropriate Full Council meeting retrospectively Spot checks are made by the Internal Auditor	Clerk Internal Auditor	m m	d d	When required					
<b>Direct Debits (DD)</b>													
Duplication with cheque payments.	1	2	2	The payments are distinguished from cheques and listed at Full Council and included in the Minutes.	Clerk	m	d	Monthly					
Old DD not cancelled	1	2	2	Bank statements checked for unrecognised payments . List of active DDs taken to O&F annually for review & approval	O&F	m	d	Monthly (random check undertaken via online banking).					
<b>Expenses:</b>													
Claims for expenses	1	1	1	Any claim for expenses (accompanied by appropriate receipts) by a Councillor is submitted in writing to the Clerk; even when prior approval granted by the Finance Committee/ Full Council As above		m	p						
Spurious or inaccurate claims made	1	1	1	As above. Set rate for travel expenses set by Finance Committee annually. Payments only made following Full Council approval	Office & Finance Committee Authorised bank signatories	m m	p d	It is the Clerk's responsibility to check any claims as received.					
Expenses made on un-authorised materials/trips	1	1	1	Any other expenses claim by a councillor requires prior authorisation by the Finance Committee or Full Council.	Chairman	m	p	Clearly breached on occasion					
Excessive claims made (per item or en-masse)	1	2	2	As above. Realistic amount paid for claims by value checking by clerk.		m	p	The Clerk's monthly claims are checked by a Councillor					
<b>Pre Authorised Expenditure:</b>													
Works additional to contracts/quotes allowing project to be completed safely/suitably	2	1	2	Any two of the Chairman, the Vice Chairman and the Clerk have the authority to incur any expenditure up to £500 where it is in their view necessary or desirable to act without delay	The Chairman, Vice-Chairman or Clerk	m	p	definition of "desirable" needed to prevent unauthorised spend					
Inappropriate use of delegated powers given	2	2	4	The Clerk has authority to incur any item of expenditure up to £200. Delegated powers are given to manage specific projects to stop delays. Term of Reference agreed at start of project (covered within Code of Conduct training/ Standing Orders) The Chairman's allowance is to be used at the discretion of the Chairman (but refer to Expenses section)	Full Council Chairman (on advice from the Clerk)	m m	p p	As required					
Use of debit card	1	2	2	Clerk to list all expenditure on debit card AS IT HAPPENS and cross reference to bank statement	Clerk	m	d	Monthly					

Risk/ Hazard Area	Likelihood	Impact	Initial Risk	Control measures/ Recommendations	Control measures implemented by	Manual / System control	prevention or detection control	Control frequency
<b>Bank Accounts:</b>								
Multiple bank accounts used; info not recorded	1	3	3	The Parish Council has two bank accounts @ Lloyds + 1 Nationwide (solar). Any intra account transfer must be backed up with paper copy of details.	Clerk and designated Councillor who initials that the accounts balance as seen	m	d	Monthly
Unregulated payments made/ income not logged	1	2	2	Balances are provided to Full Council on a monthly basis and to the Finance Committee when it meets. The Accounts are checked by the Internal Auditor and submitted on the Annual Return to the External Auditor	The Clerk. Mr Prasad to check reconciliation monthly Internal Auditor /External Auditor	m	d	Monthly Annually
Not enough signatories	2	3	6	Signatory list to be reviewed annually at Office & Finance meeting	Member of Office & Finance. Check at April O&F meeting	m	d	Annually
Electronic banking	1	2	2	Designated users (with restricted access to account) still needs 2 'signatures' to enable payments. Clerk to provide list of agreed payments at monthly meeting for authorisation	Parish council + bank	s	p	Monthly
<b>VAT:</b>								
VAT not processed correctly from invoices/receipts	2	2	4	VAT info on invoices checked before processing for payment Info on VAT on split claims noted on Accounts spreadsheet page	The Clerk + non signatory member The Clerk	m	p	Monthly Monthly
VAT126 claims not made promptly	2	1	2	VAT Reg number added to Account spreadsheet. Claims submitted every 6 months	The Clerk	m	p	6 monthly
VAT directives not adhered to, or proper advice not sought.	1	3	3	Incorrect claiming of VAT could occur - could lead to HMRC audit. Seek HMRC advice if in doubt on validity of works/item being claimed. Reviews HMRC info as sent out.	The Clerk	s	p	Check HMRC website every 6 months at least
<b>Salaries &amp; PAYE:</b>								
Salary Scale does not conform with LGA guidelines	1	1	1	Salary scales agreed by Full Council in accordance with National Association of Local Councils and calculated pro rata to agreed hours.	Prepared by Clerk and checked by the Office & Finance Committee	m	p	Annually
Pension not managed appropriately	1	2	2	Pension opted into by clerk - entitlement reviewed by Office & Finance	Prepared by Clerk and checked by the Office & Finance Committee	m	p	Annually
Tax & NI (employee & employer) not logged/ paid correctly	1	2	2	Deductions for Tax, NI and Employer's NI are calculated using HMRC software and are paid quarterly by cheque	The Clerk & Full Council	m	p	Quarterly
Contract does not cover works undertaken	2	1	2	Employment contracts are reviewed annually	Dicussed at O&F meeting	m		Annually
<b>Invoice Processing:</b>								
Invoice is out of scope with contract issued.	1	3	3	All work carried out on behalf of the Parish Council is authorised by either by a contract or by a firm quotation. All invoices are paid on a monthly basis and are checked by a Councillor prior to payment (see cheques)	The Clerk & Full Council	m	p	Monthly
<b>Bank Reconciliations:</b>								
Not done promptly	1	1	1	Monthly reconciliation between bank statements and the accounts are carried out by the Clerk to ensure accuracy. The statements and a supporting document are then produced and agreed at Full Council, with the quarters statements signed off retrospectively at Office & Finance meeting.	The Clerk & Full Council / Office & Finance	m	p	Monthly
Transfers not accounted for	1	2	2	Proof of any and all account transfers (both internal and external) provided alongside relevant bank statement	Clerk & Councillors	m	d	Monthly
<b>Budgetary Controls:</b>								
Budget not reviewed in year	1	2	2	Quarterly summaries of budget and expenditure to date are provided to members of the Finance Committee.	Clerk and the Office & Finance Committee	m	d	Quarterly
Budget not adhered to	1	2	2	Budget complied to in accordance with Financial Regulations & pre-authorised Project expenditure to be assigned to budgetary line at onset of discussions.	Clerk and the Office & Finance Clerk and the Office & Finance Committee	m m	p p	As and when meetings are held or when
Expenditure not controlled or allocated correctly	1	2	2	Quarterly summaries of budget and expenditure to date are provided to members of the Finance Committee. The clerk advises Councillors of the impact of any expenditure on the budget.	Clerk and the Office & Finance Committee Clerk and the Office & Finance Committee	m m	p p	Quarterly
				There is no requirement for the Council to keep expenditure strictly within budget but every endeavour is made to ensure this is generally the case.	Clerk and the Office & Finance Committee/ Full Council	m	p	As required



Risk/ Hazard Area	Likelihood	Impact	Initial Risk	Control measures/ Recommendations	Control measures implemented by	Manual / System control	prevention or detection control	Control frequency
<b>Internal Audit:</b>								
No Internal Auditor appointed	1	2	2	Internal Auditor to be contracted as per any other service. 3 year intent form signed Jan 2018	Office & Finance Committee	m	p	Revised 2018
No set format for internal audit applied	2	1	2	The Internal Auditor reviews procedures and makes spot checks on financial payments and systems and reports to Full Council	Internal Auditor	m	p	Annually (this document!!)
Internal audit report not seen/ actioned by council	1	3	3	Internal auditor report given to every councillor. Actions decided at Office & Finance meeting	Nominated member of Office & Finance Committee	m	p	Annually
<b>Insurance:</b>								
Not sufficient cover	2	3	6	Insurance is not adequate (for sector) or is not checked against current market value	Adequate insurances as advised by specialist broker. Clerk and the Office & Finance Committee/ Full Council	m		3 yearly. Review in 2019
Not compared/ reviewed	1	3	3	Insurance is renewed annually and from April 2013 is on a three year contract which has reduced the premium. When the insurance is up for renewal at least one other quote is sought to ensure value.	Clerk and the Office & Finance Committee/ Full Council	m		Annually or when assets change
<b>Assets:</b>								
All assets not listed	2	1	2	Review payment lists regularly to check for "missed" items	Clerk	m	d	As required
Asset list not updated	1	2	2	The Insurance Company is advised of any changes as required. Clerk to review assets and the policy changed accordingly.	Clerk	s	d	As required
Assets of trusts/ historical assets included	2	1	2	Asset register periodically checked.	Clerk	m	d	Periodically (at least annually)
<b>Verification of Contracts/ Tenders:</b>								
Tenders poorly worded	2	3	6	Tender does not adequately or correctly cover works specification; insufficient experience on part of council in drafting requirements. Professional assistance to be sought if necessary	Committees	m		Prior to tender/ contract going out
Contractor/ works not checked on during process	2	3	6	Works undertaken not reviewed in process by <b>suitably competent person</b> - this does not mean clerk/councillor going to check on progress. <b>Must be compared to specification by a professional.</b>	Specialist	m		During process
Works not compared/ reviewed to specification at sign off	2	3	6	Works completed not checked against original tender/contract. Notation on any additional works agreed during process not added to original tender document. Sign off check done by unqualified person	Specialist	m		Prior to final payment

# Mawnan Parish – Risk Assessment schedule 2019/2020

Definition of Risk Management: Risk is the threat that an event or action will adversely affect an organisations ability to achieve its objectives and successfully execute its strategies. Risk Management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus; structures and processes, standards of conduct and service delivery arrangements.

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise the following plan was followed.

- Identify the areas to be reviewed
- Identify what the risks maybe
- Evaluate the management and control of risk and record findings
- Review, assess and revise as necessary.

## FINANCIAL & MANAGEMENT

Subject	Risk Identified	H/M/L	Management/ control of risk	Review/assess/ revise
<b>Business Continuity</b>	Council not being able to continue business due to tragic or unexpected circumstance	M		Consider basic Business Continuity plan. Ensure all council processes are followed & policies up to date
	Councillor numbers inquorate	L	Standing Orders specify the number of councillors for a quorum. The Clerk should make arrangements for a new meeting	Keep vacancies up to date, active recruitment & fixed meetings times agreed
	Loss of clerk – short term	L	In absence of clerk, the Council may delegate powers to a member/s of the Council	Advice sought from responsible officer/clerk at another parish or from past position holder.
	Loss of Clerk -Long term	L	The Council would make arrangements for either a temporary or permanent replacement, as appropriate	Recruitment procedures put into place CALC to be notified to see if a temporary clerk can be provided for any substantial period.
	The Council fails to act in a lawful manner.	L	Establish Clear terms of reference. Refer to Standing Orders/ Financial Regulations if necessary. Provide additional training opportunities to ensure up to date information being used	Powers should be minuted if used.

<b>Business Continuity cont.</b>	Illegal activity or payments	L	All activities and payments made within the powers of the parish council, resolved and clearly minuted.	Relevant annual subscriptions & training purchased.
	Working parties taking decisions	M	Refer to Standing Orders/ Financial Regulations if necessary.	Clerk to attend all relevant training including local & national conferences if at all possible
<b>Sole Trustees</b>	Parish acts as sole trustees for playing fields.  How to ensure no overlap		Charity commissions advice sought on separation of duties  Totally separate meetings agreed;	New CIO constitution  No trust work to be undertaken at Parish meetings
	In relation to new MCA lease – negotiations undertaken in fair manner for trust	M	Legal advice sought; all meeting minuted & agreed; reference made to existing Pre-school lease conditions	Only negotiation team members involved. Solicitor to review & draft agreement before end of March 2020. Full trust to agree before signing.
<b>Minutes, Agendas and standing documents</b>	Accuracy and legality	M	All meeting actions are minuted, and planning observations submitted online.	Annual reviews of Standing Orders, Financial Reg & Safeguarding to take place.
	Non Compliance with Statutory requirements	L	Minutes and agendas are produced in the prescribed method and adhere to legal requirements. Minutes are approved and signed off at the next meeting.  Minutes and agendas are displayed according to legal requirements.  Business conducted at the council is managed by the chairman	Other policies on scheduled review cycle. Clerk to read & distribute as necessary all legal notices coming through CALC
	Meeting timetables and consultation timescales must be as laid down by law.	L	Clerk to place agendas on Notice Board the correct number of days in advance.	Calendar of meetings compiled at the annual meeting.

<b>Insurances</b>	Adequacy	M	Annual review of policy undertaken prior to renewal	Review cover annually. Policy to be checked Review with broker scheduled for Jan 2020.
	Cost	M	Employer and employee liability is essential	Professional body to provide advice on current level of insurances deemed "adequate".
	Compliance	M	Ensure Compliance processes are in place	Review Compliance annually
<b>Precept</b>	Adequacy of precept	L	Sound historical information provided to back up the council's annual budget setting  Budget & Precept approval needed by full Council	Regular budget monitoring report to Office & Finance Committee then to all councillors  Precept is an agenda item at the December meeting
<b>Banking</b>	Inadequate checks being undertaken	M	Council's financial regulations set out the requirements for Banking & cheque reconciliations	Financial internal controls put in & undertaken by Anil Prasad & clerk
		L	Statements verified on a monthly basis with all monies in & out accounted for	Independent councillor to check all payments made against statements. (AP)  Statements now countersigned quarterly at Office & Finance meetings
		L	All payment out backed up with invoices/ receipts	All invoices/ receipts must be attached to the payment requests each month. Request for Auditor to include minutes where agreed/ Purchase order in process of being added
<b>Debit Card / Electronic payments</b>	Inadequate tracking/recording of payments	M	Council's financial regulations set out the requirements for Banking & cheque reconciliations. Amend for Debit card.  Statements verified on a monthly basis with all monies in & out accounted for	Independent councillor to check all payments made against transaction list & bank statements. (AP)  only card payments discussed with chair acceptable (chair signature needed?)
	Authority for electronic payments unverified/ incomplete	L	Payment to be agreed by full council before 2 delegate access required to authorise payments online. Confirmation of payments to be printed.	Clerk to ensure each transaction has receipt/invoice;

<b>Cash</b>			Council has no petty cash or float. Minor cash payments made to clerk for services rendered have receipts issued & are banked immediately.	Numbered receipt book reconciled to for services rendered have receipts
<b>VAT</b>	Reclaiming / Charging not taking place appropriately	L	The council has procedures for claiming VAT	VAT noted on monthly Bank Reconciliation. Annual VAT reconciliation produced for internal audit. VAT pending payment to be noted on monthly bank reconciliations.
<b>Financial Control &amp; Records</b>	Inadequate checks being undertaken	M	Accounting records must be maintained, in accordance with statutory requirements	checked by named councillor prior to full council approval – now checked by O&F
		L	2 Signatures on each cheque, initialled cheque stub and invoices to validate the amount being spent	clerk to ensure this happens at signature, if missed then to happen asap
		M/L	All financial commitments must be agreed by councillors before payment	Items for payment standard line on agenda & read out at each meeting for agreement.
		L	Section 137 Payments must be noted as such at the time of authorisation and recorded as such at that time	Grants/ Donations to be clarified. Level of Section 137 available to be noted each year. Legal power to give grant noted on minutes.
<b>Annual Returns</b>	Not submitted within the time limit	L	Annual return completed and signed by the council, submitted to the internal auditor for completion. Checked and sent on to the external Auditor	Annual Return to be logged on receipt & timetables for appropriate meetings. Summary emailed when posted in case of loss. Receipt from External Auditor requested.

## ADMINISTRATION

Subject	Risk Identified	H/M/L	Management/ control of risk	Review/assess/ revise
<b>Data Protection Policy</b>	Personal/private information kept/used without cause or longer than necessary	M	Council is registered with the Information Commissioners Office.  Policy documents made available on website	Ensure annual renewal of registration  Monitor and remove unnecessary data once usefulness has been ascertained.  Policy reviewed annually
<b>GDPR</b>	Retention & use of personal data	M	Council instigating new policies  Data audit taking place of all historic held information	Annual Data Protection report due January  All redundant files to be removed & destroyed asap. Those being retained have data logged in audit spreadsheet.
<b>Freedom of Information Act</b>	Requested not dealt with or not dealt with fast enough	H	The Council has a model publication scheme for local councils in place.  Update in light of GDPR	Monitor and report impact of requests made under freedom of information
<b>Health &amp; Safety</b>	Suitable checks & records not in place	H	Records of all information relating to Health & Safety & adequate Risk Assessments kept on file in Parish Office.	Item to be minuted and addressed by O&F committee
<b>Meeting Location</b>	Availability  Adequacy  Health and safety	L  L  L	Meetings are held on the 3rd Thursday in the month at Mawnan Memorial Hall. Pre booked annually in advance.  Ad Hoc meetings arranged with Memorial Hall, Bowling Club, and MCA as deemed necessary.  Venue gauged to be sufficient for volume of attendees.  Visual check to venue made by clerk before each meeting	Annual bookings procedure adequate  Multiple venues allows booking on required dates.  Monitor numbers attending  <b>Risk assessment to be obtained from venue</b>

<b>Council Records</b>	Loss through theft, Fire and Damage	L	Working papers to be held securely in filing cabinet/cupboards in Parish Offices. Wherever possible important/essential documents scanned before filing.	Spare key for filing cabinet to go to named councillor
	Historic Records	L	Minutes stored with County Archive (if possible).  One off items (deeds, maps, documents etc.) stored in secure, fire proof cabinet	Records to be sorted and passed onto County Archive. Includes project specific ones, not just minutes.  Review of papers to be undertaken & suitable storage addressed.
	Access to documents restricted	M	Cloud storage available from anywhere with internet access (& suitable passwords) .  Office available to councillors (via clerk)	'invitation to share' folders issue by clerk as needed.  Spare keys to office with chair & landlord for emergency access.
<b>Councils Electronic Records</b>	Loss through damage, fire or corruption of Computer	M	Computer backup procedures (daily copy of all data) are in place using internet storage (drop box).	Dropbox used for all data except email. Manually back this up on monthly basis.
	Electronic Files –Not all essential files stored on cloud	L	Backup of those files NOT stored on the cloud (HMRC & Email) done monthly to external hard drive & removed from office by clerk	Clerk to maintain hard drive – given to nominated councillor if clerk away [ill] from off for more than 2 working weeks.
	Electronic Security: Passwords  no virus protection	L	List of passwords & sites used kept by clerk in electronic form (protected).  Virus Protection in place. Regular scans and system upgrades undertaken to ensure viability of system	Cllr Marsden holds copy if significant passwords (google password manager activated).  Reliable antivirus software purchased and installed on all office computers/ laptops & any used by clerk at home ( for MPC works)
	Historic Files	L	Separate cloud based site (Box) used for historic records in line with retention policy	Location & password given to chair as above. Retention of Documents Policy reviewed annually
	Internal Audit of Financial Controls	H	Internal checking done by nominated member. Random checking of financial processes & paperworks undertaken  The Council maintains regular maintenance systems by qualified professionals	Internal Financial Controls risk assessment documents reviewed annually by Office & Finance Committee  3 year "Letter of Intent" drafted with maintenance systems by qualified

	Ensure all the requirements of employment law, Inland Revenue & VAT regulations are complied with, and that Clerk's salary is in accordance with adopted scales	L	Quarterly returns on PAYE and NI, and quarterly VAT reclaims, to be submitted.  SLCC/NJC payscale updates reviewed by O&F committee	Clerk to check the position of contractors under PAYE legislation; regular updates received from HMRC including web-seminars; HMRC & National Association checked for any changes to policy  Clerks wages & contract reviewed annually. Full contract & Job description to be reviewed in 2019 (benchmarking exercise)
<b>Election</b>	Risk of election	L	Risk is higher in an election year. No factors to mitigate this risk	Monies set aside for election if required
<b>Personnel Issues</b>	Salaries	L	Clerk's salary to be reviewed annually, in line with NALC/SLCC guidelines	Full contract & Job description to reviewed in 2019 (benchmarking exercise). Annual guidelines adjustments noted
	Pension	L	Pension outsources to NEST in line with statutory levels	Review levels annually
	Protection against unfair dismissal claims	L	Grievance & Appeals procedures in place	Policy in place. Annual performance review also undertaken
	Personal accident, or assault, to Members or Clerk	L	Members and Clerk advised not to work alone on Council business. Personal accident (including assault) and Employers Liability insurance in place	Clerk to let chair know of any incidents; Regularise appointments outside of office
	Work related stress	L	Annual staff appraisals. Staffing committee in place to deal with staffing matters. The Council respects the potential impact of staff of increased works load and monitors through consultation with staff	Regular meetings with Cllr Marsden & Faiers now undertaken separate from annual review
	Staff Working Conditions and equipment	L	PAT tests done to equipment  Investigation into new office accommodations underway	Complete a DSE assessment Ensure staff are trained in the safe use of all equipment



	Other staff welfare issues	L	The Council are aware of their responsibilities and will act in accordance with recommendations from the health and safety officer	
<b>Public Liability</b>	Risk to third party property or individuals  Legal liability as a consequence of asset ownership	L	Insurance is in place, risk assessments of individual events/asset is undertaken	Check relevance of policy annually
<b>Employer Liability</b>	Risk to third party property or individuals Legal liability as a consequence of asset ownership	L	Insurance is in place, risk assessments of individual events/asset is undertaken	Check relevance of policy annually
<b>Legal Liability</b>	Legality of activities	L	Clerk clarifies the legal position and takes advice when needed	Check relevance of policy annually
	Proper and timely reporting via minutes	L	Council receives and agrees minutes at monthly meetings	Minutes agreed and signed each month.
	Proper document control	L	Retention of documents policy in place	
<b>Members Interests</b>	Conflict of interest	L	Councillors have a duty to declare any interest at the start of the meeting. Forms available from clerk.	Register of interests forms should be reviewed annually
	Procedures required for the recording and monitoring of members' interests, gifts and hospitality received	L	Code of Conduct signed, and Register of Interest completed, by each Councillor	<b>ONGOING - NOTE THAT THIS IS THE RESPONSIBILITY OF INDIVIDUAL COUNCILLORS.</b> <i>Code of Conduct training held for whole council Jun 17</i>
	Breach of Confidentiality	L	The Parish Council is registered under the Data Protection Act Procedures for dealing with confidential agenda items Inc. tender bids	Such items to be discussed with public and press excluded
	Dispensations & conflict of interest	M	Advice sought on relative status of Sole Trustees & dispensations through CALC	<b>General dispensation granted for Trust works.</b> <b>ONGOING – INDIVIDUAL DISPENSATION FOR COUNCILLORS WHO HAVE AN INTEREST (FROM OUTSIDE BODIES) MAY BE NECESSARY BUT HAS TO BE REQUESTED</b>



## ASSETS AND PROPERTY

Subject	Risk Identified	H/M/L	Management/control of risk	Review/assess/ revise
<b>Assets</b>	Loss or damage/risk/damage to third parties or to property	M	An asset register is kept up to date and insurance is held at the appropriate level for all items.	Assets checked regularly (physically and against register).
<b>Notice Boards</b>	Risk / damage/ injury to third parties road side safety	M	Regular checks are made on all equipment by members of the council. Parish Council has one notice board. It is regularly visited by the clerk who holds the keys. Parish Council has one notice board. It is regularly visited by the clerk who holds the keys	Content & suitability assessed
<b>Street Furniture</b>	Risk / damage/ injury to third parties road side safety	M	No inspection process is in place. Members of the public and councillors report issues to the clerk which are dealt with.	Overview in passing - any matters reported
<b>Public Conveniences</b>	Risk/ injury to third parties	M	Inspection by cleaning crew. Any issues reported to clerk for immediate action	Annual site inspection takes place by clerk towards maintenance schedule
<b>Bus Shelter</b>	Risk / damage/ injury to third parties road side safety	M	Inspection by cleaning crew. Any issues reported to clerk for immediate action	
<b>Telephone Kiosk</b>	Risk / damage/ injury to third parties road side safety	M	Inspection by cleaning crew. Any issues reported to clerk for immediate action	To be added to contract Aug 17
<b>Offsite storage of footpath leaflets</b>	<b>Risk of loss or damages</b>	<b>L</b>	<b>Secure storage area assessed.</b> <b>Risk assessment &amp; papers provided to clerk/renter.</b>	<b>Clerk had key to locker containing footpath leaflets &amp; will collect as required. Insurances for this already checked. Storage of other items (pending new offices) to be assessed as necessary.</b>

<b>Maintenance</b>	Poor performance of assets or amenities.	M	All assets are owned by the Parish Council are regularly reviewed and maintained.	All assets are insured annually
	Loss of income or performance Risk to third parties	M	All repairs and relevant expenditure for these repairs are authorised in accordance with Parish council procedures.	
<b>Open Spaces</b>	Secondary users reporting issues	M	Contract for maintenance appropriate for site	Contract & completing reviewed regularly
	Upkeep not to contract level specified	M	Ad hoc checks on level of service undertaken	Checks done as works reported. Where significant ongoing item then clerk/councillors may perform on-site inspections
<b>Community Graveyard</b>	Uneven paths/ground	M	Notice on standards underfoot put up. Where possible levels flattened	Manage in accordance with established health and safety and best practice. All contractors to be made aware of council policies.
	Poor maintenance	L	Contract for maintenance reviewed & assessed regularly	Maintain a register of contractors which includes details of the contract, risk assessments, methods of work, certificates and inspections.
	Unexpected damage/ incidents on site	L	Weekly visual inspection of site + section test of memorials undertaken	
	Detritus on site	L	Cleaning of significant detritus undertaken at same time as weekly visual assessments	