Drayton St Leonard Parish Council Risk Assessment - Financial and Management

This document has been produced to enable Drayton St Leonard Parish Council (PC) to assess the financial and management risks that it will encounter and identifies the steps and procedures necessary to minimise them.

Both the likelihood of an event and its likely impact are assessed on the following scale:
Category 1: Negligible risk of occurrence or impact, 2: Low risk, 3: Medium risk, 4: High Risk 5: Extreme Risk

Subject	Description of Risk(s)	Likelihood of Occurrence	Impact	General Rating	Management of Risk	Review / Assess / Revise
Business Continuity	Risk of PC not being able to continue its business due to an unexpected circumstance	2	3	Low	Loss of Parish Clerk Recruitment process would be undertaken. Membership to Society of Local Clerks to aid with appointment of Locum services if required. Council documents are stored on Council laptop on the cloud, external hard drive and has protection.	Action taken, as necessary.
Precept	Adequacy of precept	2	4	Med	To determine the amount of precept required, PC regularly receives budget update information, and precept review is a routine agenda item.	Existing procedure is adequate. (It should be noted that the PC has no control of any reduction of SODC funding resulting from any future change in Government policy)
	Requirements not submitted to South Oxfordshire District Council (SODC)	1	4	Low	At the budget-setting meeting PC receives a budget update report, including actual position and projected position to the year end with indicative figures or costings obtained by the Clerk.	
	Amount not received by SODC	2	4	Med	The Clerk provides a draft budget for the following year based on these costings and making provision for specific projects previously identified by the PC for the coming financial year. Following the inclusion of any amendments suggested by the Parish Council the proposed	

					budget is presented to the PC meeting in December or January for adoption and the precept amount agreed. The Clerk submits the precept figure to SODC in writing. The Clerk informs the PC when the two precept amounts are received.	
Financial Records Financial Irregularities	Inadequate records Financial irregularities	1 2	3 3	Low Low	The Standing Orders & Financial Regulations are reviewed by the PC. Financial Regulations will ensure that the requirements for banking, cheques and payments received by BACS are correctly followed, and financial statements are reviewed at every PC meeting. *Parish Council Debit Card is set at a limit of £250. With a Use of Debit Card Policy.	Existing procedures are compliant but will be reviewed and additional procedures put in place in respect of internet banking, debit card and electronic payments. Financial Regulations will be reviewed, as necessary.
Bank and Banking	Inadequate checks Bank errors	2 2	3 3	Low Low	The PC complies with Financial Regulations that set out the requirements for banking. If the bank makes an error when processing payments these are found when the bank accounts are reconciled monthly. Any error is immediately reported to the Bank and corrected by the bank.	Existing procedures developed for internet banking. Financial Statements produced for each Parish Council meeting for review. Financial Regulations and the bank signatory list will be reviewed as necessary, especially after the AGM and an election.

	Loss Charges	2 2	3 2	Low Low	Losses would result from a Bank error, and these would be immediately reported to the Bank. Losses from unauthorised access to the PC Bank accounts are minimal. Bank charges are not currently incurred. Any charges would be taken up directly with the Bank.	Monitor Bank Statements monthly.
Cash	Loss through theft or dishonesty	2	2	Low	The PC has Financial Regulations that set out the requirements. Cash is banked as practicably possible now bank has relocated from Thame. There is no petty cash system. Debit Card has an agreed limit of £250.	Existing procedures are adequate. Financial Regulations to be reviewed when necessary, and the bank signatory list, when necessary, especially after the AGM and an election. Monitoring of Bank statements monthly. Bank Statements are presented at every Parish Council meeting.
Reporting and Auditing	Information communication	1	2	Low	A budget monitoring statement is produced for presentation at every Parish Council meeting.	Existing communication procedures are considered adequate.
	Compliance	1	2	Low	Auditing takes place on an annual basis.	Council to ensure it has an Internal auditor to undertake the audit in good time.
Direct Costs Overhead Expenses Debts	Goods not supplied but billed.	2 2	3 3	Low Low	The PC has Financial Regulations that set out the requirements.	Review the Financial Regulations when necessary.

	Incorrect invoicing by PC Cheque payable incorrect Electronic payment incorrect	 2 2	 2 2	 Low Low	Prior to each PC meeting invoices are checked by the Clerk and allocated by the Cheque number and minute ref. For an electronic payment minute ref will be used. Payment Schedule is circulated to Councillors at the PC meeting and any Councillor can query an invoice with the Clerk. If satisfactory the schedule is approved at the PC meeting. The Clerk prepares the cheques or electronic payment at the PC meeting. Payment is approved by two Councillors, who check and sign the invoice. If thought appropriate by the PC, payment for certain items may be made by electronically provided that the instructions for each payment are signed by two authorised bank signatories and are retained and any advanced payments are reported to council at the next PC meeting. The PC has approved the use of electronic payments. Payment for certain items may be made by internet bank transfer provided evidence is retained that identifies the councillors approving the payment.	 Financial Regulations to be reviewed to ensure requirements are reflected in the Regulations. Procedures for internet banking.

	Unpaid invoices	2	3	Med	Unpaid invoices due to the Council are pursued and where possible payment is obtained. Non-payments are reported at PC meetings.	
	Damage or Loss	2	3	Med	Any damage to the Parish Tents is the responsibility of the hirer and T&Cs are acknowledged and signed off by the hirer. Play equipment is monitored by ROSPA annually and by a nominated Councillor who reports any damage at Parish Council meetings. Any damage to a Council asset is report to the Parish Council for resolution. The Parish Council maintain appropriate insurance.	Asset Register is reviewed annually by the PC

PC Members	Fraud by councillors or Clerk Inappropriate actions by councillors or Clerk Health and Safety	1 1 2	4 3 3	Low Low Low	Financial risks are low. No petty cash operated. Appropriate Insurance in place. The Parish Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. Drayton St Leonard Parish Council recognises health, safety, and welfare as essential in the successful operation of its activities. All operations will be conducted with due regard for the Council's statutory obligations and the appropriate safeguards to minimise risks to the health and safety of all who may be affected by the PC's activities. The Health and Safety Policy.	Existing procedure adequate and self-regulating. Membership of SLCC and Oxfordshire Association of Local Councils. Risk Assessments are provided to the Parish Council to provide sound and practical advice on safe working methods and statutory requirements relevant to the activities of the PC. Health and Safety Policy is reviewed every two years.
Election Costs	Risk of an election cost	2	3	Medium	The risk is higher in an election year. When an election is due the Clerk will obtain an estimate of costs from SODC for a full election and an uncontested election. There are no measures that can be adopted to minimise the risk of having a contested election as this is a democratic process which should not be stifled.	Existing procedures compliant – i.e., measures taken at budget setting to provide election contingency.

VAT	Reclaiming / charging	1	3	Low	The Clerk will claim for VAT annually or as required and will report transactions to the PC meeting.	Existing procedure compliant.
Annual Returns	Submit within time limits	1	4	Low	The Financial Annual Return is completed by the Internal Auditor and Clerk, approved by the PC.	Existing procedures compliant.
Legal Powers	Illegal payment activity	1	3	Low	All activity and payments made within the powers of the PC to be resolved and minuted at PC meetings.	Existing procedure compliant. The Parish has adopted the General Power of Competence under Section1-8 of The Localism Act 2011
Agendas Minutes Notices Statutory Documents	Accuracy and legality Business conduct	1 1	2 2	Low Low	Agendas and minutes are produced in the prescribed method by the Clerk and adhere to the legal requirements. Agendas are displayed and minutes are available in accordance with the legal requirements. Minutes are approved and signed at the following PC meeting.	Existing procedure compliant. Guidance/training to Chairman should be given (if required). All councillors to adhere to the adopted Code of Conduct.
Members Interests	Register of Members Interests and pecuniary Interests	1	3	Low	Within 28 days of taking office as a member or co-opted member, Councillors must notify South Oxfordshire District Council and the Clerk of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where a councillor or his/her partner holds a pecuniary interest.	Existing procedure adequate. Councillors to take responsibility to notify Clerk of updates to their entry in the Register. A Gift and hospitality register is maintained.

					In addition, Councillors must, within 28 days of taking office as a member or co-opted member, notify the Clerk of any disclosable pecuniary or non-pecuniary interest which should be included in the register. If an interest has not been entered onto the SODC register of Interests, then the member must disclose the interest to any meeting of the authority at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest.'	
Assets	Loss or damage, e.g., to village tents	2	3	Medium	Asset register maintained and reviewed annually. Adequate insurance cover in place. Planned programme of maintenance and repair produced and reviewed annually to inform budget setting.	Existing procedures adequate. Insurance requirements reviewed annually. Annual inspection of assets and review of Asset Register is undertaken.
Grants	Improper use of public funds	1	3	Low	Grants policy to detail all essential information required to accompany a grant application. PC to log receipt of grant monies. Evidence of expenditure for purpose of grant required.	Grants policy approved with appropriate process in place. Grant funding is recorded accordingly.

Legal Liability	Actions being ***ultra vires.***	1	3	Low	Clerk clarifies legal position on any new proposal. Legal advice sought where necessary.	Existing procedures compliant.
	Risk of litigation	1	3	Low	Public liability insurance. A nominated Councillor undertakes checks of the play area.	Existing procedures compliant.

Signed:
Chairman

Date:25.09.2025