

## Princes Risborough Town Council Finance Risk Assessment and Management 2025

Reviewed and agreed 25<sup>th</sup> March 2025

Area	Risk(s) identified	H / M / L	Management/ control of risk	Review/Assess/Revise
Precept	<p>Adequacy of precept</p> <p>Requirements not submitted to Buckinghamshire Council</p> <p>Amount not received by PRTC</p>	L	<p>To determine the precept amount. The Council receives a budget update report, including actual position and projected position to end of year against budget and indicative figures of costs and income for the next year obtained by the Clerk. With this information, the Council maps out the required monies for standing costs and projects for the following year, applies specific figures to budget headings, and agrees on the total budget. The amount between income and expenditure is the value that needs to be met, and the Council makes a Resolution as to the amount of precept to request from Buckinghamshire Council before 31<sup>st</sup> January.</p> <p>This figure is submitted by the Clerk in writing to Buckinghamshire Council.</p> <p>The Clerk informs Council when the monies are received (approx April &amp; September time).</p>	Existing procedure adequate.
<p>Banking Arrangements and Procedures</p> <p>Banking Security &amp; Access to Finances</p>	<p>Accounts &amp; Bank Reconciliation</p> <p>Inadequate checks</p> <p>Bank mistakes</p> <p>Loss</p> <p>Charges</p> <p>Loss of interest</p> <p>Payments</p>	L	<p>One current bank account used daily with RFO &amp; Accounts Assistant. Accounts are reconciled using the RBS Omega system within 5 days of receipt of the statement. 32-day notice account held for reserve funds not required in the month, which pays interest. Transfers are made by the Clerk as authorised in the Financial Regulations.</p> <p>No one person has access to monies held in the bank accounts.</p> <p>The Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of accounts. If the bank does make occasional processing errors, these are discovered when the Clerk reconciles the bank accounts once a month when the statement arrives. These are dealt with immediately by informing the bank and awaiting their correction. Finance Committee appoints two Councillors to check bank reconciliation and report to the council.</p> <p>Lloyds Bank is used, which offers no charges.</p> <p>A savings account in place to hold reserves</p> <p>Each payment is released and signed by 2 Councillors as detailed on the bank mandates.</p>	<p>Existing procedure adequate.</p> <p>Review the Financial Regulations when necessary.</p> <p>Monitor the bank statements monthly.</p> <p>Review annually</p> <p>Review bank signatory list annually</p>

Maintaining Financial records & systems that are correct and comply with accounting practice	<p>Inadequate records</p> <p>Financial irregularities</p> <p>Adverse audit reports, legal action and loss of confidence in Town Council.</p> <p>Loss of income through error or fraud</p> <p>Accounts. The RBS Omega accounts system is used which is an accepted accounts package for local authorities.</p> <p>Loss of key staff trained in financial systems and processes</p>	<p>L</p> <p>The Council has Financial Regulations.</p> <p>Financial transactions are recorded by the Clerk at least monthly and financial reports presented to council on a monthly basis.</p> <p>An independent auditor checks the records on an annual basis ensuring compliance with VAT, tax and NI contributions and accuracy of accounts as part of the internal audit process.</p> <p>Year-end accounts are drawn up and submitted along with the annual return.</p> <p>Clerk keeps up to date with legislative changes.</p> <p>Fidelity Guarantee Insurance.</p> <p>No petty cash arrangements.</p> <p>A back up is also made to the main server at the end of each day and then backed up to a cloud server off site.</p> <p>Hard copies linked to council reports are held on file together with bank reconciliation reports, invoices/receipts/payments and cheques issued.</p> <p>Staffing arranged so that knowledge is distributed between RFO and at least one other member of staff.</p>	<p>Existing procedure adequate.</p> <p>Review the Financial Regulations when necessary.</p> <p>Town Clerk continually reviews controls and current procedures.</p> <p>Review Insurance Policy annually.</p> <p>Existing procedure adequate.</p> <p>Existing procedure adequate.</p>
<p>Maintaining Financial Controls that are correct and comply with accounting practice</p> <p>Direct costs</p> <p>Overhead expenses</p> <p>Debts</p>	<p>Financial Regulations become out of date with change in technology, regulations or business.</p> <p>Lack of budgetary overview/overspend against budget.</p> <p>Lack of finance to meet unbudgeted, urgent commitments (with safety implications)</p> <p>Goods not supplied but billed</p> <p>Incorrect invoicing</p> <p>Loss of stock</p> <p>Unpaid invoices</p>	<p>L</p> <p>The Clerk to react to any changes in legislation or other areas in order to ensure the regulations are fully compliant and also provides a strong framework compatible with Council's practices.</p> <p>Monthly review of Income and Expenditure by RFO and Finance Committee. Regular reporting to Council. Details of committed spend provided to members to inform decision making through the year and at budget planning stage.</p> <p>Quarterly review of Committee budgets by Committees.</p> <p>Contingency included in budget.</p> <p>L</p> <p>The Council has Financial Regulations which set out the requirements. At monthly Finance meetings the list of invoices awaiting approval is distributed to Councillors. These are considered and the Councillors approve the list of requests for payment.</p> <p>Invoices are only paid after the receipt of the goods or services.</p> <p>The Clerk and two Councillors check each invoice against the payment method and associated paperwork and initials the invoice and payment list.</p> <p>The Council has minimal stocks, these are checked and monitored by the Clerk/Maintenance Team.</p> <p>Unpaid invoices are pursued and where possible, payment is obtained in advance.</p>	<p>Review Financial Regulations at least every two years.</p> <p>Existing procedures adequate</p> <p>Review reserves annually.</p> <p>Existing procedure adequate. Review the Financial Regulations when necessary</p>

Grants and support -payable	Power to pay Authorisation of Council to pay	L	All such expenditure goes through the required Council process of approval, minuted and listed accordingly. The Town Council has adopted the General Power of Competence.	Existing procedure adequate.
Grants receivable	Receipts of Grant	L	The Town Council does not presently receive any regular grants. One off grants may come with terms and conditions to be satisfied. All monies received are entered, and payments are made against the project.	Procedure would need to be formed, if required.
Charges -rentals receivable	Receipt of rental Insurance implication	L / M	Rental of the Wades Centre, Recreation ground and the Market House - The Clerk issues terms and conditions of usage and a booking form to all applicants.  The Town Council copy is held by the Clerk.  Invoices are raised on a monthly basis. The payment is received and banked if not paid direct to the Town Council bank account.  The Council is notified accordingly.  A Risk Assessment and copy of Insurance is requested of all users who are required to provide a copy to the Town Council.  All Town Council property is covered by Public Liability insurance.	Existing procedure adequate. Review agreement and fees annually.  Ensure payment, risk assessment and copy of insurance document received
All actions taken by the Town Council comply with current legislation	Non-compliance with legislation or practice leading to the Council being "Ultra Vires"  Illegal activity or payments	L	Town Clerk to keep up to date with changes in legislation seeking advice when necessary, attending relevant training sessions.  Councillors to attend training sessions when relevant, Membership of SLCC, BALC and NALC.  All activity and payments within the powers of the Town Council to be resolved and minuted at Finance/ Full Town Council Meetings.	Review training records annually Review membership annually  Existing procedures adequate.

Best value Accountability	Work awarded incorrectly Overspend on services	L/ M	<p>Town Council practice would be to seek, if possible, three quotations for any work required to be undertaken or goods where the cost is more than £600.</p> <p>For major contract services, where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 which is valued at £30,000 or more, the council will comply with the relevant requirements of the Regulations which require councils to use the Contracts Finder website to advertise contract opportunities.</p> <p>If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council.</p>	Existing procedure adequate. Included in Financial Regulations.
Salaries and assoc. costs	<p>Salary paid Incorrectly</p> <p>Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax &amp; NI contributions to the Inland Revenue.</p> <p>Annual return</p>	L	<p>The Admin &amp;H/R Committee authorises the appointment of all employees. The Council authorises the creation of new roles.</p> <p>Salary rates are agreed in the contract and any amendment agreed by council and recorded in personnel files. Salary analysis and slips are produced by the outsourced payroll provider monthly, together with a schedule of payments to the Inland Revenue (for Tax and NI) &amp; pension, for scrutiny by the Finance Committee. These are inspected at Finance meetings and approved.</p> <p>All salary, pension, Tax and NI contributions are worked out by the outsourced payroll provider. All Tax and NI payments are submitted by the Clerk.</p> <p>Each member of staff has a contract of employment and job description.</p> <p>The employer's Annual Return is completed by the outsourced payroll provider and submitted online to the Inland Revenue within the prescribed time frame.</p> <p>The LGPS Annual Pension return is completed and returned within the prescribed time frame.</p>	<p>Existing appointment and payment system is adequate.</p> <p>Existing procedures adequate.</p> <p>Existing procedures adequate.</p>
Employees	<p>Loss of key personnel</p> <p>Health &amp; Safety</p> <p>Actions undertaken by staff</p> <p>Fraud by staff</p>	L	<p>Long-term incapacity of the Clerk (more than 3 months) would be covered by the appointment of a temporary Clerk Short-term illness would be covered by the Deputy Clerk.</p> <p>The staff are provided with relevant training, reference books, and access to professional and legal advice required to undertake the role.</p> <p>The Maintenance Team is to be provided with adequate direction and safety equipment needed to undertake the roles, ie, protective clothing and training.</p> <p>Worknest appointed as H/R and H&amp;S Consultants.</p> <p>The office staff is to be provided with adequate direction and relevant training as necessary.</p> <p>Appraisals are carried out annually with one-to-one interviews conducted on a half yearly basis.</p> <p>The requirements of the Fidelity Guarantee Insurance to be adhered to with regards to Fraud.</p>	<p>Existing procedure adequate.</p> <p>Purchase revised books. Membership of the SLCC. NALC/BALC renewed annually.</p> <p>Monitor working conditions, safety requirements and insurance regularly.</p> <p>Reviewed every 3 years.</p> <p>Reviewed annually with Insurance policy.</p>

Election costs	Risk of an election cost	L/M	<p>Risk is higher in an election year. When an election is due, the Clerk will obtain an estimate of costs from the Buckinghamshire Council for a full election and an uncontested election.</p> <p>There are no measures that can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled. The annual budget is set with this in mind.</p>	Existing procedure adequate.
VAT	Re-claiming/charging	L	<p>The Council has Financial Regulations which set out the requirements. VAT returns are lodged on a quarterly basis in line with accepted procedures.</p> <p>The Council uses the RBS Omega system, which incorporates compliant Making Tax Digital software.</p>	Existing procedure adequate.
Annual Governance and Accountability Return (AGAR)	Submit within time limits	L	<p>The AGAR is completed by the RFO and Internal Auditor then presented to the Council for approval and is signed by the Chairman of the Council at that meeting.</p> <p>Once approved and signed by the Council, it is sent to the External Auditor within the time limit with the supporting information requested.</p>	Existing procedures adequate.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L/ M	<p>An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for.</p> <p>Ensure compliance measures and Fidelity checks are in place.</p> <p>Town Council use Zurich who is a recognized provider for Town &amp; Parish Councils.</p>	<p>Existing procedure adequate. Review insurance provision annually.</p> <p>Review of compliance.</p>
Data Protection	Policy Provision	L	<p>Registration with the Data Protection Agency.</p> <p>Appointment of Data Protection Officer.</p>	Review annually
Freedom of Information Act	Policy Provision	L	<p>The Council has a model publication scheme for Local Councils in place.</p>	Monitor and report any impacts of requests made under the FOI Act.