

# WRETHAM PARISH COUNCIL

## RISK ASSESSMENT - 11 DEC 2024

RISK DESCRIPTION	INTERNAL CONTROL MEASURES	INTERNAL AUDIT ASSURANCE	SPECIALIST EXTERNAL ASSISTANCE
<b>1. RISKS TO PROPERTY OR PERSONS:</b>			
Protection of the Council's Physical Assets. <i>See Annex A for details.</i>	All physical assets are: 1. Inspected annually and maintained as necessary. 2. Covered under the Zurich insurance policy, where considered appropriate. Review of risk, adequacy of cover and robustness of insurance provider is reviewed annually.	1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i> 2. Review of management arrangements regarding insurance cover. 3. Testing of specific internal controls and reporting findings to the Chairman.	
Risk of damage to third party property or individuals as a consequence of the Council providing services or amenities to the public (public liability)	Limit of Public Liability Indemnity on Zurich insurance policy £10,000,000	Review of management arrangements regarding insurance cover.	
Legal liability as a consequence of asset ownership (public liability)	Limit of Public Liability Indemnity on Zurich insurance policy £10,000,000	Review of management arrangements regarding insurance cover.	
Maintenance for vulnerable buildings, amenities or equipment: None at present	n/a	n/a	

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Provision of services being carried out under agency/partnership agreements with principal authorities: Road/footway/footpath maintenance.	Regular checks made and any faults reported to Principal Authority (Norfolk County Council).		Norfolk County Council assistance requested when necessary.
<b>2. FINANCIAL RISKS:</b>			
Banking arrangements, excluding borrowing or lending: Lloyds Community Account Lloyds Saver Account	All payments and receipts are by BACS or cheque. All payments are authorised at Council Meetings. Invoices are all signed by any 2 of 3 signatories which gives authority for payment by BACS.	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	Financial Institutions have strict regulations regarding withdrawal of funds.
Loss of cash through theft or dishonesty (fidelity guarantee)	All payments and receipts are by cheque or BACS transfer. All payments are authorised at Council Meetings. Invoices are all signed by any two of three authorised signatories. Clerk's expenses are backed by receipts or other evidence of actual expenditure. These are checked prior to payment. Fidelity guarantee of £500,000 for Clerk (RFO).	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	
Professional services (planning, architects, accountancy, design etc.)	Rarely used but selection of suppliers would conform to requirements of Financial Regulations.	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	Reputable professional services should belong to the relevant professional organisation and abide by their rules.

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<b>3. BUSINESS RISKS:</b>			
<p>Keeping proper financial records in accordance with statutory requirements</p>	<p>Ensure that Clerk (RFO) is adequately trained in keeping electronic accounts and matters of VAT and other taxation issues as necessary.</p> <p>Regular scrutiny of financial records and proper arrangements for the approval of expenditure.</p> <p>Records are all well maintained and cashbook is reconciled monthly to bank statements, all electronically. A Monthly Report and Payments Agreed Schedule is reported month to Councillors. VAT return is submitted at the end of Financial Year. Council sets budget annually. S137 amounts separately identified in the cashbook. Limit is calculated and never exceeded. Minutes are all initialled/signed by Chairperson of meeting; pages are numbered, filed sequentially and kept safely.</p>	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	<p><i>Joint Panel on Governance and Accountability Practitioners' Guide</i> used as a reference point.</p>

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Ensuring all business activities are within legal powers applicable to local councils	Ensure that Clerk (RFO) is adequately trained and that the Council is fully conversant with all legal, statutory and other provisions, which govern its obligations. The Minutes record the precise power under which expenditure is being approved. Adoption of codes of conduct for Members.	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	<i>Arnold-Baker on Local Council Administration</i> (Roger Taylor) used as reference point, together with advice from Norfolk Association of Local Councils, Society of Local Council Clerks, and solicitors if necessary.
Ensuring that all requirements are met under employment law and HM Revenue & Customs regulations	Ensure that Clerk (RFO) is adequately trained. Council is registered as an employer with HM Revenue & Customs, and PAYE payments are made by Direct Debit. Contract of employment for Clerk reviewed by the Council; systems of updating records for changes in relevant legislation.	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	
Ensuring adequacy of the annual precept within sound budgeting arrangements	Clerk drafts budget. Discussed in detail and agreed by full Council. Comparison between Budget and Payments/Receipts produced for every full Council Meeting.	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	

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Ensuring the proper use of funds granted to local community bodies under specific powers or S137.	Ensure that Clerk (RFO) is adequately trained and Councillors are aware of their responsibilities.	<ol style="list-style-type: none"> <li>1. Review of internal controls in place and their documentation. <i>See Annex B for details.</i></li> <li>2. Testing of specific internal controls and reporting findings to the Chairperson.</li> </ol>	
Appointed Internal Auditor unable to undertake audit	Clerk to keep in touch with appointed Auditor and to contact Norfolk Association of Local Councils if this situation should arise.	Auditor to advise Clerk as soon as possible of inability to undertake audit.	Norfolk Association of Local Councils is normally able to find an alternative auditor.
Proper, timely and accurate reporting of Council business in the Minutes	Ensure that Clerk is adequately trained and has correct tools with which to carry out the task. Minutes properly numbered and paginated with a master copy kept in safekeeping.		
Responding to electors wishing to exercise their rights of inspection	Freedom of Information Act 2000 and Annual Audit notices are advertised on the Parish notice boards. Copies of any correspondence relating to enquiries are kept. If the enquiry is reported to the Council, it will be minuted.		
Meeting the laid down timetables when responding to consultation invitation	To best of ability within timing of meetings. If necessary, an additional Council meeting is called or an extension of time is requested. Certain matters may be delegated to the Clerk.		

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Proper document control	The Clerk is responsible for the safekeeping, convenient and secure, but accessible custody of all deeds, plans, records, letters, writings and other documents of or concerning the Council or its staff. Those records no longer needed for regular access are archived at Norfolk Record Office.		
Register of Members' interests and gifts and hospitality in place, complete, accurate and up to date	Code of Conduct adopted and all councillors have signed a Declaration of Acceptance of Office and Code. Entries for Register of Pecuniary Interests (maintained by Breckland Council) are completed and a copy held by the Clerk.		
<p>Computer Security:</p> <ol style="list-style-type: none"> <li>1. Adequate safeguards in place to prevent viruses and other intrusions that may damage Council documents.</li> <li>2. Regular backups taken to prevent loss of documents.</li> <li>3. Ensure legality of programs used.</li> <li>4. Data Protection Act</li> </ol>	<ol style="list-style-type: none"> <li>1. Clerk uses Parish owned laptop that is fully protected by Norton Internet Security and is regularly updated.</li> <li>2. Daily backups of all documents are made via the cloud. All passwords are recorded and kept safely.</li> <li>3. Only programs fully licensed to the Clerk are used for Council work.</li> <li>4. All requirements of the Data Protection Act are considered.</li> </ol>		

# **WRETHAM PARISH COUNCIL**

**The following risks were considered but regarded as not relevant at the time of review:**

- Risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss).
- Ad hoc provision of amenities/facilities for events to local community groups.
- Market management.
- Vehicle or equipment lease or hire.
- Trading units (leisure centres, playing fields, burial grounds, etc.).
- Security for vulnerable buildings, amenities or equipment.
- Complying with restrictions on borrowing.

# WRETHAM PARISH COUNCIL

Annex A to  
Wretham Parish Council  
Risk Assessment 11Dec24

## PHYSICAL ASSETS COVERED BY INSURANCE

ITEM (Number s from Asset Register)	ITEM DESCRIPTION	INSURANCE VALUE	LOCATION	DATE OBTAINED
1	War Memorial	Nil	Outside St Ethebert's Church on Land believed to be owned by Elizabeth Anne Haynes.	Funded by Public Subscription.
3	Village Sign	Insured as part of Street Furniture £24,000	On corner of A1075 and Croxton Road. Land owned by Norfolk County Council.	1978, by Public Donation.
4	Queen Elizabeth Silver Jubilee Seat	Insured as part of Street Furniture £24,000	On corner of A1075 and Croxton Road. Land owned by Norfolk County Council.	1978. Donated to the Council.
9	Notice board	£400	To left of door to Village Hall.	5 August 1999.
10	Posts & plaques	£555	Millennium Row.	17 December 1999 and 3 March 2000.
11	Trees	£600	Millennium Row.	17 December 1999 and 3 March 2000.
14	Millennium Row lease	Nil	Norfolk Record Office.	6 May 2005
16	Robert Vincent Beaupre memorial Seat	Insured as part of Street Furniture £24,000	Letchmere Corner.	11 January 2007. Donated by Lawrence Beaupre.
18	Flowering Cherry Tree (Prunus Accolade)	Nil	Letchmere Corner.	12 May 2011

## WRETHAM PARISH COUNCIL

19	Diamond Jubilee Tree	Nil	Letchmere Corner.	14 June 2012
20	Plaques for Diamond Jubilee Tree and Jubilee Way.	£300	Letchmere Corner & Millennium Row.	8 November 2012
22	Grit Bin	£99	Illington Road.	9 December 2013
23	Notice boards (2)	Insured as part of Street Furniture £24,000	On Illington Road and in West Wretham.	12 February 2015
24	Toshiba C55-C-184 Laptop- Not working replaced with Dell Inspiron 15 Laptop	£450.00	At Clerk's house.	28 February 2024
26	New Forestry Cottages name sign	Nil	On verge at entrance to Hilda Raker Close.	8 September 2016
27	Vehicle activated Sign	Insured as part of Street Furniture £24,000	Various locations.	9 February 2017
28	Vehicle Activated Sign (Wild animals likely to be in the road) plus posts, brackets, etc.	Insured as part of Street Furniture £24,000	Various locations.	14 January 2021.
29	Defibrillator.	Nil (Covered by Community Heartbeat Trust policy)	Outside wall of Village Hall	14 January 2021

# WRETHAM PARISH COUNCIL

**Annex B to  
Wretham Parish Council  
Risk Assessment 11Dec24**

## INTERNAL CONTROLS AND SUGGESTED INTERNAL AUDITOR TESTS

<b>INTERNAL CONTROL</b>	<b>SUGGESTED TESTS</b>
Proper bookkeeping	<ol style="list-style-type: none"> <li>1. Is the cashbook maintained and up to date?</li> <li>2. Is the cashbook arithmetic correct?</li> <li>3. Is the cashbook regularly balanced?</li> </ol>
a. Standing Orders and Financial Regulations adopted and applied; and b. Payments controls	<ol style="list-style-type: none"> <li>4. Has the Council formerly adopted standing orders and financial regulations?</li> <li>5. Has a Responsible Financial Officer been appointed with specified duties?</li> <li>6. Have items or services above the de minimus amount been competitively purchased?</li> <li>7. Are payments in the cashbook supported by invoices, authorised and minuted?</li> <li>8. Has VAT on payments been identified, recorded and reclaimed?</li> <li>9. Is S137 expenditure separately recorded and within statutory limits?</li> </ol>
Risk management and arrangements	<ol style="list-style-type: none"> <li>10. Does a review of the minutes identify any unusual financial activity?</li> <li>11. Do minutes record the Council carrying out an annual risk assessment?</li> <li>12. Is insurance cover appropriate and adequate?</li> <li>13. Are internal financial controls documented and regularly reviewed?</li> </ol>
Budgetary controls	<ol style="list-style-type: none"> <li>14. Has the Council prepared an annual budget in support of its precept?</li> <li>15. Is actual expenditure against the budget regularly reported to the Council?</li> <li>16. Are there any significant unexplained variances from budget?</li> </ol>
Income controls	<ol style="list-style-type: none"> <li>17. Is income properly recorded and promptly banked?</li> <li>18. Does the precept recorded agree to the Council Tax authority's notification?</li> <li>19. Are security controls over cash and near-cash adequate and effective?</li> </ol>
Petty cash procedures – <i><b>NB No Petty Cash is held</b></i>	<ol style="list-style-type: none"> <li>20. Is all petty cash spent recorded and supported by VAT invoices/receipts?</li> <li>21. Is petty cash expenditure reported to each Council meeting?</li> <li>22. Is petty cash reimbursement carried out regularly?</li> </ol>

## WRETHAM PARISH COUNCIL

<b>INTERNAL CONTROL</b>	<b>SUGGESTED TESTS</b>
Payroll controls	<p>23. Do all employees have contracts of employment with clear terms and conditions?</p> <p>24. Do salaries paid agree with those approved by the Council?</p> <p>25. Are other payments to employees reasonable and approved by the Council?</p> <p>26. Have PAYE/NIC been properly operated by the Council as an employer?</p>
Assets controls	<p>27. Does the Council maintain a register of all material assets owned or in its care?</p> <p>28. Are the Asset and Investments registers up to date?</p> <p>29. Do asset insurance valuations agree with those in the asset register?</p>
Bank reconciliation	<p>30. Is there a bank reconciliation for each account?</p> <p>31. Is a bank reconciliation carried out regularly and in a timely fashion?</p> <p>32. Are there any unexplained balancing entries in any reconciliation?</p> <p>33. Is the value of investments held summarised on the reconciliation?</p>
Year-end procedures	<p>34. Are year-end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?</p> <p>35. Do accounts agree with the cashbook?</p> <p>36. Is there an audit trail from underlying financial records to the accounts?</p> <p>37. Where appropriate, have debtors and creditors been properly recorded?</p>