

Lacey Green Parish Council Risk Assessment and Management 2019 and 2020
Agreed April 2020

Area	Risk(s) identified	H / M / L	Management/ control of risk	Review/Assess/Revise
Precept	Adequacy of precept Requirements not submitted to WDC/BC	L	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 and applies specific figures to budget headings and agrees 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. This figure is submitted by the Clerk in writing to AVDC. The Clerk informs Council when the monies are received (approx April & September time).	Existing procedure adequate.
Bank and banking	Inadequate checks Bank mistakes Loss Charges	L	The Council has set out the requirements for banking, cheques and reconciliation of accounts. The bank does make occasional errors in processing cheques which are discovered when the Clerk reconciles the bank accounts once a month when the statement arrive, these are dealt with immediately by informing the bank and awaiting their correction.	Existing procedure adequate. Review when necessary. Review bank signatory list annually. Monitor the bank statements monthly.
Financial controls & records	Inadequate records Financial irregularities	L	Financial transactions are recorded by the Clerk at least monthly and financial reports presented to council every quarter. A current Councillor (not the Chair) reviews a bank reconciliation every month. An independent auditor checks the records on an annual basis ensuring compliance with VAT, tax and accuracy of accounts as part of the internal audit process. Year end accounts are drawn up and submitted along with the annual return.	Existing procedure adequate. Review when necessary.
Direct costs Overhead expenses Debts	Goods not supplied but billed Incorrect invoicing Cheque payable incorrect Unpaid invoices	L	The Council has Financial Regulations which set out the requirements. Before the Parish Council meetings the list of invoices awaiting approval is distributed to Councillors. These are considered and the Councillors approve the list of requests for payment. Two Councillors check each invoice against the cheque book/payment method and associated paperwork and initials the invoice. Unpaid invoices are pursued and where possible, payment is obtained in advance.	Existing procedure adequate. Review when necessary.
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 Parish Council has adopted the General Power of Competence to facilitate grant payments.	Existing procedure adequate.
Grants receivable	Receipts of Grant	L	The Parish 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 made against the project.	Procedure would need to be formed, if required.
Charges - receivable	Receipt of charges for land usage. Insurance implication	L / M	A Risk Assessment and copy of Insurance is requested of all users of Parish assets who are required to provide a copy to the Parish Council.	Existing procedure adequate. Review agreement and fees annually. Ensure payment, risk assessment and copy of insurance document received

Best value Accountability	Work awarded incorrectly Overspend on services	L / M	<p>Normal Parish 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 £1000 .</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 £25,000 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. Review when necessary
Salaries and assoc. costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee paid Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L	<p>The Council authorises the appointment of all employee/s. Salary rates are agreed in contract and any amendment agreed by council and recorded in personnel files.</p> <p>Salary analysis and slips are produced by the Clerk monthly together with a schedule of payments to the Inland Revenue (for Tax and NI) & pension to the Council. These are inspected and signed off.</p> <p>All salary, Tax contributions are worked out by the Clerk/External Provider. All Tax payments are submitted by the Clerk on a quarterly basis. A contract of employment and job description is issued.</p>	Existing appointment and payment system is adequate. Use of external PAYE resource mitigates risk
Employees	Loss of key Personnel Fraud by staff Actions undertaken by staff Health & Safety	L	<p>The Clerk should be provided with relevant training, reference books, access to professional and legal advice required to undertake the role.</p>	Existing procedure adequate. Purchase revised books. Renewal of membership of the BALC renewed annually. Monitor working conditions, safety requirements and insurance regularly.
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 Council for a full election and an uncontested election.</p> <p>There are no measures which can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled. An annual budget is set with this in mind.</p>	Existing procedure adequate.
VAT	Re-claiming/charging	L	<p>The Council has set out the requirements</p> <p>VAT refund is submitted annually.</p>	Existing procedure adequate.
Annual return	Submit within time limits	L	<p>The Annual Return is completed and submitted to the internal auditor for completion and signing. It is approved and signed by the Council and sent on to the External Auditor within time limit.</p>	Existing procedures adequate.

Legal powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Parish Council Meetings.	Existing procedures adequate.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L / M	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. Ensure compliance measures are in place.	Existing procedure adequate. Review insurance provision annually. Review of compliance.
Web	Compliance	H	Increasing regulations require changes to format of Parish Council website – eg compliance with GDPR and Accessibility. Deadline for Conformance is September 2020.	Structure needs change with elements of PC website New procedure to be set up for uploading documents and ensuring compliance
Business Continuity	Impact on communication and services	M	Impact of Covid 19 has illustrated the need for a more formal business continuity plan (BCM) to ensure robust on-line communication framework inc transactional payments	Establish new procedure and formulate BCM Establish if feasible on line banking facility
Emergency Planning	Inadequate information for parishioners	L	Plan needs to publicised and promoted	Emergency Plan needs regular updating
Representation	Insufficient Councillors to make decisions quorate	M	Resignations of several Councillors at the same time can create issues whether for co-opting or elections, in terms of quorate voting and representation for specific committees – eg Planning	Create succession plan