

## Croxdale and Hett Parish Council - Risk Assessment

***“The greatest risk facing a local authority is not being able to deliver the activity or services expected of the Council.”***

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the Parish Council to identify any and all potential inherent risks. The Parish Council, based on a recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible.

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.

### FINANCIAL AND MANAGEMENT

Subject	Risk(s) indentified	H/M/L	Management/control of Risk	Review/Assess/Revise
Councillors	Loss of Councillor numbers which impacts on the ability of the Council to continue its operations.	L	Requirement to correctly record member attendances and approved apologies at meetings so as to lessen risk of members being subject to loss of office through for lack of attendance.  Early notification of any Member resignations, deaths or disbarments to Durham County Council. If the vacancy is ultimately to be filled by PC co-option to commence this process as soon as possible.	<b>Assess current arrangements and update as necessary</b>  <b>Existing procedure adequate but needs to be monitored.</b>
Business continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance.	L	Action taken to fill any Council Member vacancies. Standing Orders and other policies in place.	Existing procedure adequate
Precept	Inadequacy of precept in order for the Council to carry out its Statutory duties	L	To determine the precept amount required, the Council regularly receives budget update information. At the precept meeting Council receives a budget report, including actual position and projected position to	Existing procedure adequate but needs to be maintained.

Subject	Risk(s) indentified	H/M/L	Management/control of Risk	Review/Assess/Revise
			<p>the end of year and indicative figures or costings obtained by the Clerk. With this information the Council decides the required amounts for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from Durham County Council. The figure is submitted by the Clerk in writing.</p> <p>The Clerk informs the Council when the Precept has been received.</p>	
Financial Records	<ul style="list-style-type: none"> <li>- Inadequate records</li> <li>- Financial irregularities</li> </ul>	L L	<p>The Council has Financial Regulations which sets out the requirements. Previous failings acknowledged.</p>	<p>Existing procedure adequate</p> <p><b>Review the Financial regulations bi-annually.</b></p>
Bank and banking	<ul style="list-style-type: none"> <li>- Inadequate checks</li> <li>- Banks mistakes</li> </ul>	L L	<p>The Council has approved Financial Regulations which set out banking requirements. Bank reconciliation reported to Council at least quarterly. Previous failings acknowledged.</p>	<p>Existing procedure adequate</p>
Cash / Loss	Loss through theft or dishonesty	L	<p>The Council has learned from previous failings and now has Financial Regulations which set out the requirements. Cash/cheques received are banked as soon as possible following receipt. There is no petty cash. This is audited by the Internal Auditor annually.</p>	<p>Existing procedure adequate</p>
Litigation	Potential risk of legal action being taken	L	Public liability insurance covers general personal injury claims where the Council is	Insurance is adequate but there is always a risk of

Subject	Risk(s) identified	H/M/L	Management/control of Risk	Review/Assess/Revise
	against the Council		found to have been at fault, but not spurious or frivolous claims - these cannot be insured against.	claims.
Reporting and auditing	Information communication	L	A Financial Update is produced to each Council meeting for discussion and approval. This includes a schedule of receipts and payments, Bank Reconciliation, budget update. Copy bank statements are produced in support of this.	Existing procedures adequate.
Direct costs Overhead expenses Debts	- Goods not supplied but billed - Incorrect invoicing - Cheque payable incorrect - Unpaid debtor invoices	L L L L	The Council has Financial Regulations which set out the requirements. At each Council meeting the list of invoices awaiting approval is distributed to Members and Council approves all payments. Unpaid debts to the Council are pursued and where possible, payment is obtained in advance.	Existing procedure adequate
Grants Receivable	Receipt of grant	L	The Council currently receives LCTRS Grant from Durham County, this being an automatic payment. No other grants are currently received	Identified in Precept Report, receipt reported to Council  Procedure would be formed, if required
Charges-rents receivable	Receipt of rents	M H	The Allotment Association collects rents in January each year and pays these to Clerk in cash. The PC leases an area of land for use as a car park	<b>Receipts system needs to be adopted.</b>  <b>New lease needs to be agreed.</b>
Grants and support payable	- Power to pay - Authorisation of Council to pay	L	All such expenditure goes through the required Council process of consideration and approval by Council, which includes	Existing procedure adequate.

Subject	Risk(s) indentified	H/M/L	Management/control of Risk	Review/Assess/Revise
			reference to the legal power under which it can be paid. All payments require Council approval.	
Best value accountability	- Work awarded incorrectly - Overspend on services.	L L	Normal Parish Council practice would be to seek, if possible, more than one quotation for any substantial work to be undertaken. Financial Regulations specify authorisation requirements for payments and the need to obtain competitive tenders for contract works.	Existing procedure adequate.
Salaries and associated costs	Salary paid incorrectly. Unpaid or incorrect payments to Inland Revenue.	L L	Contract of Employment has been agreed which specifies terms Members are now aware of the requirements, previous failings have been acknowledged.	Existing arrangements adequate but need to be maintained.
Employees	Fraud by staff Actions undertaken by staff Health and safety	L M L	Fidelity Guarantee insurance is in place and subject to annual review. Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. All employees to be provided with adequate direction and safety equipment needed to undertake their roles	Existing procedures adequate. <b>Requires assessment to identify and meet the need.</b> <b>Monitor health and safety requirements and insurance annually.</b>
HMRC P35 Annual Return	Submit within time limits	M	P35 is to be completed and submitted online with the prescribed time frame by the Clerk. Past shortcomings acknowledged.	Existing procedures adequate. <b>Needs to be monitored.</b>

Subject	Risk(s) indentified	H/M/L	Management/control of Risk	Review/Assess/Revise
VAT	Reclaiming/charging	M	The Council has Financial Regulations which set out the requirements. Reclaim made and reported to Council annually. Past failings acknowledged.	Existing procedures adequate. <b>Needs to be monitored.</b>
Election costs	Risk of an election cost	L	Risk is higher in an election year but from a financial planning viewpoint the requirement to fund any by-elections poses the most difficulty. The Council has set aside a specific reserve fund from its general balances to meet potential election costs.	Existing arrangements are adequate.
Audit - Internal Audit	Completion within time limits	L	Internal auditor is appointed by the Council. Internal auditor is supplied with the relevant records and the Annual Return.	<b>Need to introduce and agree a 'Review of Effectiveness of the system of Internal Audit' then to be reviewed annually.</b>
Annual Audit Return	- Completion/Submission within time limits  -Members to understand their responsibilities	M  M	Annual Return is completed and signed by the Clerk/RFO, submitted to the Internal Auditor for completion and signing then signed-off by Members for submission to External Auditor within time limit. Previous failings have been acknowledged.	<b>Existing procedure adequate but requires timely completion of end of year accounts and timetabling of process. Need for continued awareness.</b>
Legal Powers	Illegal activity or payments	L	Reference to the appropriate legal power to be included within any report to the Council which proposes and or approves a new activity or expenditure outlay.	Existing procedures adequate
Minutes/agendas/ Notices and Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed format by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the	Existing procedures adequate.  Members adhere to Code

Subject	Risk(s) indentified	H/M/L	Management/control of Risk	Review/Assess/Revise
	Business conduct	L	next Council meeting. Agenda displayed according to legal requirements. Business conducted at Council meetings should be managed by the Chair	of Conduct
Members interests	- Conflict of interests - Register of members interests	L M	Declarations of interest by members at Council meetings. Register of Members Interests forms reviewed regularly.	Existing procedures adequate. <b>Members to be aware of their responsibility to update register.</b>
Insurance	- Adequacy - Compliance - Cost	L L L	An annual review is undertaken of all insurance arrangements which specifically ensure the inclusion and adequacy of EL, PL and Fidelity Guarantee cover. Periodic review of premium costs.	<b>Existing procedure adequate but requires ongoing monitoring.</b>
Data protection	Policy provision	H	There may be a need for the Parish Council to register with the Data Protection Agency	<b>Need to review registration requirement.</b>
Freedom of Information	- Policy - Provision	H L	There may be a need for the Parish Council to adopt a Model Publication scheme. A substantial FOI request could create a number of additional hours work. The Parish Council can request a fee to supplement the extra hours	<b>Need to review.</b>  Monitor any requests made under FOI
<b>PHYSICAL EQUIPMENT OR AREAS</b>				
Assets	- Loss or damage - Risk/damage to third party property	L L	An annual review of assets is undertaken for insurance provision. Asset Register is in place	Existing procedures adequate
Maintenance	- Poor performance of assets or amenities. - Loss of income	L L	All assets owned by the Parish Council are regularly reviewed and maintained. All repairs and relevant expenditure for any	Existing procedures adequate

Subject	Risk(s) indentified	H/M/L	Management/control of Risk	Review/Assess/Revise
	- Risk to third parties	L	repair is actioned/ authorised in accordance with the correct procedures of the Parish Council. Assets are insured.	
Notice Board	Risk of damage	L	No formal inspection procedures are in place but any reports of damage and faults are reported to the Parish Council and dealt with in accordance of the correct procedures of the Council.	Existing procedures adequate
Meeting location	Adequacy Health & Safety	M M	The Parish Council meeting is held in a venue considered to have appropriate facilities for the Clerk, members and the general public.	<b>Existing procedures adequate. Requires monitoring and alternative premise identified in case needed.</b>
Council records – paper	Loss through: Theft Fire damage	L M L	The Parish Council records are stored at the home of the Clerk. Records include historical correspondences, minutes, insurance, Bank records, accounts etc.	<b>Damage (apart from fire) and theft is unlikely and so provision is adequate but need to maximise electronic records.</b>
Council records – electronic	Loss through: Theft, fire damage or corruption of computer	M	The Parish Council electronic records are stored on the Clerk’s computer at her home. Back ups of electronic data is made at regular intervals	<b>Existing procedures considered adequate but a need for review and possible introduction of a back-up copies to Chairman</b>

Reviewed and approved at meeting on 08 March 2017