WEST KEAL AND KEAL COTES PARISH COUNCIL RISK ASSESSMENT

Aim	Risk	Method used to minimise risk	Person(s) responsible
1. To ensure compliance with the Acts of Parliament, Council's Financial Regulations and Code of Conduct (2007)	1. Lack of knowledge of regulations and codes.	Ensure that ALL Councillors have copies of relative Acts, Code of Conduct and Standing Orders. Highlight essential parts and provide training where necessary.	Clerk Councillors
	2. Absence of Standing Orders	Ensure that Standing Orders are produced, understood by Councillors and reviewed at Annual Parish Council meeting.	Clerk Councillors
	3. Actions by the Parish Council outside its powers laid down by Parliament.	As at 1 above, but ensure that powers are highlighted or extracted into effective summary.	Clerk Councillors
	4. Lack of commitment to regulations and procedures	Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual Councillors	Clerk Chairman Councillors
	5. Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism.	Ensure that all Councillors are aware of regulations regarding estimates and full tender procedures. Introduce practice of estimates for all purchases over an agreed figure.	Clerk Councillors
	6. Payments made without prior approval and adequate control	Ensure that all payments are approved at Council meetings and recorded in the minutes. Keep cash payments to a minimum, avoid where possible.	Clerk Councillors
	7. Lack of Control of signatories to cheques.	Two from four signatories will sign cheques, three Councillors and the Clerk, to ensure cheques being signed at meetings.	Clerk
	8. VAT not properly accounted for, resulting in over claims and large demands from Customs & Excise	Ensure appropriate publications are held and that the Clerk has good knowledge of regulations.	Clerk Councillors

2. To identify and regularly review the Council's priorities	1. Lack of knowledge of how to set objectives, set priorities and identify risks to their achievement.	All Councillors to be made aware of need for objectives and identification of risk. Attend training sessions if practicable.	Clerk Councillors
	2. Lack of commitment by Council members	Add risk assessment to agenda when necessary to review particular items and results against those items.	Chairman
	3. No risk analysis carried out.	As at 1 above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission.	Clerk Councillors
	4. No steps taken to combat identified risks.	As at 2 above.	Chairman
3. To influence other Council departments and Government organisations to fulfil the requirements of the Parish population	1. Lack of effective lines of communication with other organisations.	Note all communication lines which are essential or beneficial and make information available to all Councillors. Establish contacts by name and, where possible, face to face.	Clerk
	2. Lack of effective lines of communication with parishioners	Take every opportunity to publicise role of Parish Council. Create Parish Newsletter if none exists. Effective use of notice boards and 'flier'. Use key issues to raise profile of Parish Council and to request 'parishioners' views. Add social event to occasional meeting. Create Annual Parish Council plan and put to parishioners for comment.	Councillors
	3. Lack of preparation on subjects requiring influence	Ensure that all Councillors are aware of need for careful research and are guided as to where to obtain relevant information on issues under discussion.	Clerk
	4. Lack of confidence by Parish Councillors	As at 1 above. Experienced Councillors to assist newcomers to establish essential contacts. Delegate responsibility for specific contacts to individual Councillors.	

4. To ensure that all Councillors are aware of their responsibilities and possible liabilities and to provide adequate insurance cover for all possible risks.	1. Lack of knowledge of possible culpability of Councillors.	Creation of Standing Orders and familiarisation with those where greatest risk occurs.	Clerk Councillors
	2. Lack of education of Councillors regarding culpability	As at 1 above. Delegate responsibility to one or two Councillors to assist newcomers to understand culpability. Attend any training courses available.	Councillors
	3. Inadequate insurance cover taken out – property, personal liability, employers liability.	Review risk assessment by including on agenda of Parish Council meetings at least annually. Delegate responsibility for keeping up to date with insurance requirements to an individual Councillor.	Clerk Chairman Councillors
5. To keep appropriate books of account accurately and up to date throughout the financial year.	1. Lack of knowledge of accounting requirements.	Ensure that all Councillors are familiar with current financial regulations and include them in Standing Orders. Regularly review Standing Orders. The Clerk is the Responsible Finance Officer (RFO).	Clerk Councillors
	2. Lack of commitment to accounting requirements	As at 1 above. RFO to produce financial reports at all meetings. Internal Audit reports to be made available to all Councillors and any recommendations to be acted upon promptly.	Clerk Councillors
	3. Bank Charges unnecessarily incurred	RFO to carry out regular inspection of books of account. Internal Audit to be undertaken periodically during the current financial year.	Clerk Councillors
	4. Inaccuracies in recording amounts, totals in books of account and bank reconciliation	RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Regular internal controls required.	Clerk Councillors
	5. Inaccuracies and interest losses caused by account transfers.	Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account.	Clerk Councillors
	6. The most beneficial interest terms not being employed	Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts.	Clerk Councillors

	7. Inadequate control of cash receipts and payments	Avoid cash payments and receipts if possible. Where cash payments and receipts are unavoidable use a properly controlled petty cash account with a set maximum balance.	Clerk Councillors
	8. Books of account not kept up to date, invoices not posted properly.	Regular checks by RFO and internal auditor. Financial reports at all Parish Council meetings.	Clerk Councillors
	9. Internal controls not in place or operated	As at 8 above.	Clerk Councillors
	10. Payments missed or delayed due to inadequate filing of invoices.	As at 8 above.	Clerk Councillors
	11. Clerk taken ill or leaves without replacement.	Appoint a Councillor as RFO to be familiar with all aspects of financial matters.	Councillors
6. To ensure that payments made from Council funds, and the use of assets, represent value for money, are adequately managed and comply generally with the wishes of the residents.	1. Lack of knowledge of wishes of residents.	As at 3.2 above. Ensure residents are consulted on all major financial issues.	Councillors
	2. Use of funds not giving value for money.	Effective budget planning processes. Creation of annual plan after consultation process. Creation of outline 2/3 year plan.	Councillors
	3. Use of funds not in accordance with the wishes of the residents.	As at 2 above. Appointment of RFO to create effective financial management. Internal audit checks to cover consultation process.	Councillors
	4. Charges for the use of facilities inadequate.	Effective financial management by RFO. Internal audit checks.	Clerk Councillors
	5. Fund raising not properly controlled or not in accordance with regulations.	All Councillors to be aware of need to check regulations before commencing fund raising activities. Effective financial management by RFO.	Clerk Councillors

7. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; reserves are appropriate.	1. Lack of knowledge of budgetary process and Council regulations.	Include regulations in Standing Orders issued to all Councillors. Place item on agenda in November to discuss budgetary process and actions required. Delegate responsibility for managing budgetary process to one Councillor or to Councillor appointed as RFO.	Councillors
	2. Lack of commitment to budgetary process.	As at 1 above. Involve all Councillors in budgetary process not solely the Clerk	Clerk Councillors
	3. Inadequate consideration of requirements for annual precept.	Place item on agenda in November to remind Councillors of budget process and actions required. Delegate responsibility for managing budgetary process to one Councillor or Councillor appointed as RFO. Start consideration of calculation at least 3 months prior submission date. Create annual and 2/3 year plan to assist in process.	Clerk Chairman Councillors
	4. Calculation not in accordance with Council regulations.	Checks by RFO and internal auditor	Councillors
	5. Inadequate internal controls with regard to monitoring expenditure.	Checks by RFO and internal auditor. Financial and budgetary progress reports to all Parish Council meetings.	Clerk Councillors
	6. Reserves too low	As at 5 above.	
8. To explore all possible sources of income and to ensure that expected income is fully received.	1. Lack of knowledge of possible sources of income eg grants.	Appoint a Councillor as Grants Officer to gain experience of all grants available and application procedures.	Councillors
	2. Lack of commitment to pursue possible sources of income.	As at 1 above.	
	3. Receipts not banked or not banked promptly.	Regular checks by Councillor appointed as RFO. Internal audit checks.	Councillors

	4. Debts not pursued promptly.	As at 3 above.	
	5. VAT Claims not made promptly or made incorrectly	Ensure Clerk has appropriate up to date VAT official publications. Regular checks by Councillor appointed as RFO. Internal audit checks.	Councillors
9. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with Council regulations and adequately monitored.	1. Inappropriate rates of pay to employees.	Ensure employees regulations are available and understood by the Clerk. Checks by Councillors appointed as RFO. Internal audit checks.	Councillors
	2. Tax and National Insurance not in accordance with regulations.	As at 1 above.	
	3. Amounts paid to contractors not in accordance with contract and inadequately monitored.	Internal audit checks. Checks by councillor appointed as RFO. Appoint Councillor to monitor contract work carried out.	Councillors
10. To ensure that year end accounts are prepared on the correct accounting basis, on time and supported by an adequate audit trail.	1. Lack of knowledge of Council regulations and procedures.	Include financial regulations in Standing Orders. Attend training seminars where available.	Clerk Councillors
	2. Late or non-submission of annual accounts.	Include a timetable in Standing Orders. Councillor appointed as RFO to monitor progress against timetable and report to Parish Council Meetings.	Clerk Councillors
	3. Year End Accounts not prepared, inaccurate or not in accordance with Council requirements.	Checks by Councillor appointed as RFO. Internal audit checks.	Clerk Councillors
	4. Inadequate audit trail from records to final accounts.	As at 3 above.	

11. To identify, value and maintain all the assets of the Parish Council and ensure that asset and investment registers are complete, accurate and properly maintained.	1. Lack of knowledge of assets of Parish Council.	Ascertain and record all assets for which Parish Council is responsible. Create permanent asset register.	Clerk Councillors
	2. Assets lost or misappropriated.	Establish who is responsible for security and maintenance of each asset. Appoint Councillor responsible for regular monitoring of location and use of assets.	Councillors
	3. Inadequate or inaccurate valuation of the Council's assets.	Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks.	
	4. Asset register not established or inadequately maintained.	Create asset register in accordance with Audit commission requirements.	Clerk Councillors
12. To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.	1. Lack of knowledge of applicable legislation.	Clerk to have all appropriate legislation available. Review liabilities and responsibilities periodically at Parish Council meetings.	Clerk Councillors
	2. Lack of public awareness of applicable legislation.	Include, as appropriate, in any public consultations.	Clerk Councillors
	3. Failure to comply with applicable legislation	As at 1 above.	
13. To carry out adequate safety checks on all buildings, properties and equipment for which the Council is responsible.	1. Lack of information on properties, building and equipment.	Ensure that all current legislation and advice is held by the Clerk. Include in asset register all properties for which Parish Council responsible.	Councillors
	2. Lack of knowledge of safety requirements.	Ensure that all current legislation and advice is held by Clerk. Place subject as item on Parish Council meeting agenda at regular intervals.	Councillors
	3. Lack of commitment to carrying out safety checks.	As at 2 above. Delegate responsibility for particular properties to individual Councillors.	Councillors