

Risk Assessment for Sherburn Village Parish Council

To provide services for, and manage and maintain the assets of, the village of Sherburn Village, within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents and obtaining value for money.

Aim	Risk	Method used to minimise Risk	Person(s) Responsible
1.To ensure compliance with Legislation, Council's financial regulations and Code of Conduct	1.Lack of knowledge of regulations and codes.	Ensure that all Councillors have copies of relevant Acts, Code of Conduct, and Standing Orders. Highlight essential parts and provide training where possible.	Chair Parish Clerk
	2.Absence of Standing Orders	Ensure that Standing Orders are produced, understood by Councillors, and reviewed at least once a year.	Chair Parish Clerk
	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 an effective summary.	Chair Parish Clerk
	4.Lack of commitment to regulations and procedures	Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual councillors.	Chair All Councillors Parish Clerk
	5.Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism.	Ensure that all Councillors are aware of regulations re estimates and full tender procedures. Introduce practice of estimates for all purchases over an agreed figure.	Parish Clerk/RFO
	6.Payments made without prior approval and adequate control.	Ensure all payments are approved in Council meetings and recorded in minutes. Keep cash payments to a minimum and avoid if possible.	Parish Clerk/RFO
	7.Lack of control of signatories to cheques.	Keep authorised signatories to a minimum consistent with practicalities.	Parish Clerk/RFO

	8.VAT not properly account for, resulting in overclaims and large demands from C&E	Ensure appropriate publications held and that the Proper Officer/RFO has good knowledge of regulations.	Parish Clerk/RFO Chair
To identify and regularly review the Council's priorities	<p>1.Lack of knowledge of how to set objectives, set priorities, and identify risks to help their achievement.</p> <p>2.Lack of commitment by council members</p> <p>3. No risk analysis carried out.</p> <p>4. No steps taken to combat identified risks.</p>	<p>All Councillors to be made of need for objectives and identification of risk. Attend training sessions if practicable.</p> <p>Add risk assessment to agenda annually or as and when necessary, reviewing particular items, and results against those items.</p> <p>As at 1 above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission.</p> <p>As at 2 above</p>	Parish Clerk/RFO H & S Officer
To influence other council departments and Government organisations to fulfil the requirements of the Parish Council	<p>1.Lack of effective lines of communication with other organisations.</p> <p>2.Lack of effective lines of communication with parishioners.</p> <p>3.Lack of preparation on subjects requiring influence.</p> <p>4.Lack of confidence by Parish Councillors.</p>	<p>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.</p> <p>Take every opportunity to publicise role of Parish Council. Create Parish Newsletter if none exists. Effective use of Noticeboards and "fliers". Use key issues to raise profile of PC & to test views of parishioners. Create Annual PC plan and put to parishioners for comment.</p> <p>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.</p> <p>As at 1. Above. Experienced councillors to assist new members to establish essential contacts.</p>	Chair All Councillors Parish Clerk
To ensure that all Councillors are aware of their responsibilities, possible	1.Lack of knowledge of possible culpability of councillors.	Creation of Standing Orders and familiarisation with those where greatest risk occurs.	Parish Clerk/RFO Chair

liabilities and to provide adequate insurance cover for all possible risks.	<p>2.Lack of education of Councillors regarding culpability.</p> <p>3.Inadequate insurance cover taken out – property, personal liability, employers’ liability.</p>	<p>As at 1 above. Attend any training courses available.</p> <p>Review annually or as required.</p>	
To keep appropriate books of account accurately and up-to-date throughout the financial year.	<p>1.Lack of knowledge of accounting requirements.</p> <p>2.Lack of commitment to accounting requirements.</p> <p>3.Bank charges unnecessarily incurred.</p> <p>4.Inaccuracies in recording amounts, totals in books of account, and bank reconciliations.</p> <p>5.Inaccuracies and interest losses caused by account transfers.</p> <p>6.The most beneficial interest terms not being employed.</p> <p>7.Inadequate control of cash receipts and payments.</p> <p>8.Books of account not kept up to date/invoices not posted promptly.</p>	<p>Ensure that all councillors are familiar with current financial regulations and include them in Standing Orders. Regularly review Standing Orders.</p> <p>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.</p> <p>RFO to carry regular inspection of books of account. Internal audit to undertaken periodically during the current financial year.</p> <p>RFO to ensure that the books of account are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required.</p> <p>Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest-bearing account.</p> <p>Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts.</p> <p>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.</p> <p>Regular checks by RFO and internal auditor. Financial reports at all PC meetings.</p>	Parish Clerk/RFO

	<p>9.Internal controls not in place or operated.</p> <p>10.Payments missed or delayed due to inadequate filing of invoices.</p>	<p>As at 8 above.</p> <p>As at 8 above.</p>	
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	<p>1.Lack of knowledge of wishes of residents.</p> <p>2.Use of funds not giving value for money.</p> <p>3.Use of funds not in accordance with the wishes of the residents.</p> <p>4.Charges for the use of facilities inadequate.</p> <p>5.Fund raising not properly controlled or not in accordance with regulations.</p>	<p>As at 3.2 Ensure residents are consulted on all major financial issues.</p> <p>Effective budget planning processes. Creation of annual plan after consultation process. Creation of outline 2/3 year plan.</p> <p>As at 2 above. Internal audit checks to cover consultation process.</p> <p>Effective financial management by RFO. Internal checks.</p> <p>All councillors to be aware of need to check regulations before commencing fund-raising activities. Effective financial management by RFO.</p>	<p>Parish Clerk/RFO Chair</p> <p>Chair All Councillors Parish Clerk/RFO</p>
To ensure that the annual precept requirements results from an adequate budgetary process; progress against the budget is regularly monitored: and reserves are appropriate.	<p>1.Lack of knowledge of budgetary process and Council regulations.</p> <p>2.Lack of commitment to budgetary process.</p> <p>3.Inadequate considerations of requirements for annual precept.</p> <p>4.Calculation not in accordance with Council regulations.</p>	<p>Include regulations in Standing Orders issued to all Councillors. Place item on agenda early in year to remind councillors of budget process and actions required.</p> <p>As at 1 above. Involve all councillors in budgetary process not solely the clerk.</p> <p>Place an item on agenda to remind councillors of budget process and actions required. Create annual plan and 2/3 plans to assist in process.</p> <p>Checks by RFO and Internal Auditor.</p>	<p>Parish Clerk/RFO Chair</p> <p>Parish Clerk/RFO</p>

	<p>5.Inadequate internal controls with regard to monitoring expenditure.</p> <p>6.Reserves too low.</p>	<p>Checks by RFO and Internal Auditor. Financial and budget progress reports to all PC meetings</p> <p>As at 5 above.</p>	<p>Chair Parish Clerk/RFO</p>
<p>To explore all possible sources of income, and to ensure that expected income is fully received.</p>	<p>1.Receipts are not banked promptly.</p> <p>2.Debts are pursued promptly.</p> <p>3.VAT claims not made promptly or made incorrectly.</p>	<p>Internal audit checks.</p> <p>As at 1 above</p> <p>Ensure Parish clerk/RFO has appropriate and up-to-date VAT official publications. Internal audit checks.</p>	<p>Parish Clerk/RFO</p>
<p>To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations, and adequately monitored.</p>	<p>1.Inappropriate rate of pay to employees.</p> <p>2.Tax and NI arrangements not in accordance with regulations.</p> <p>3.Amounts paid to contractors not in accordance with contract and inadequately monitored.</p>	<p>Ensure employee regulations are available and understood.</p> <p>As 1 above.</p> <p>Internal audit checks.</p>	<p>Parish Clerk/RFO</p>
<p>To ensure that year end accounts are prepared on the correct accounting basis, on time and supported by an adequate audit trail.</p>	<p>1.Lack of knowledge of Council regulations and procedures.</p> <p>2.Late or non-submission of annual accounts.</p> <p>3.Year end accounts not prepared, inaccurate or not in accordance with Council requirements.</p> <p>4.Inadequate audit trail from records to final accounts.</p>	<p>Include financial regulation in Standing Orders. Attend training seminars when available.</p> <p>Include a timetable in Standing Orders.</p> <p>Include audit checks.</p> <p>As at 3 above.</p>	<p>Chair Parish Clerk/RFO</p>
<p>To identify, value and maintain all assets of the Parish Council, and ensure that asset and investment registers are</p>	<p>1.Lack of knowledge of assets of Parish Council.</p> <p>2.Assets lost or misappropriated.</p>	<p>Ascertain and record all assets for which Parish Council is responsible. Create permanent asset register.</p>	<p>Chair Parish Clerk/RFO</p>

complete, accurate and properly maintained.	<p>3.Inadequate or inaccurate valuation of the council's assets.</p> <p>4.Asset register not established or inadequately maintained.</p>	<p>Establish who is responsible for security and maintenance of each asset.</p> <p>Arrange for periodic review of valuations and arrange for professional valuation where necessary.</p> <p>Internal audit checks.</p> <p>Create asset register in accordance with Audit Commission requirements.</p>	
To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.	<p>1.Lack of knowledge of appropriate legislation.</p> <p>2.Lack of public awareness of applicable legislation.</p> <p>3.Failure to comply with applicable legislation.</p>	<p>Parish Clerk to have all appropriate legislation available. Review liabilities and responsibilities periodically at Parish Council meetings.</p> <p>Include, as appropriate, in any public consultations.</p> <p>As at 1 above.</p>	<p>Chair</p> <p>All Councillors</p> <p>Parish Clerk</p>
To carryout adequate safety checks on all buildings, properties and equipment for which the council is responsible.	<p>1.Lack of information on properties, buildings and equipment.</p> <p>2.Lack of knowledge of safety requirements.</p> <p>3.Lack of commitment to carrying out safety checks.</p>	<p>Ensure that all current legislation and advice is held by Parish Clerk.</p> <p>Include in asset register all properties for which the Parish Council responsible.</p> <p>Ensure that all current legislation and advice is held by Parish Clerk.</p> <p>Place subject as item on Parish Council meeting agenda at regular intervals.</p> <p>As at 2 above.</p>	<p>Chair</p> <p>Parish Clerk</p> <p>H & S Officer</p>

Drafted February 2019 V.2

Approved: