

**EAST FARLEIGH PARISH COUNCIL
RISK ASSESSMENT**

1. FINANCE AND ADMIN/MANAGEMENT				
Subject/item	Risk(s) identified	Risk level H/M/L	Management/control of risk	Review/Assess /Revise
Business continuity	Council unable to continue its business due to an unexpected or tragic circumstance (theft, fire, corruption of computer data)	L	All paper files and records are kept at the Clerk's home or in filing cabinets in the Farleigh Club, Lower Road. Backups, updates, technical support and security are managed for us by Sovereign. Insured for £20K business interruption/revenue protection. Chairman can contact KALC OR SLCC for advice in the event of a problem with business continuity.	Procedure adequate
Precept	Adequacy of precept. Requirements not submitted to MBC. Amount not received by EFPC.	L L L	Council reviews precept requirement annually. It reviews the presented budget update information by the Jan meeting at the latest, agrees amounts for the set budget headings for the following year, the total of which is resolved to be the precept amount to be requested from MBC. This figure is then submitted by the Clerk to MBC by email The Clerk checks for receipt and reports it to Council.	Procedure adequate
Financial records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which set out requirements The Council has an internal auditor. Cheques/BACS transfers require two signatories and the Clerk is not a	Review annually. Audit is done annually.

	Loss of records through damage, theft, fire, etc	M/L	signatory. There are four signatories and these are rotated each month. Insured for £150K Employee Dishonesty Backups of computer records to the cloud are managed by Sovereign on our behalf. Paper files are stored in Clerk's house – not in fire-proof cabinets.	Procedure adequate.
Bank and Banking	Inadequate checks	L	The Council has Financial Regulations which set requirements for banking, cheques and reconciliation of accounts. Cheques/BACS transfers require two signatories and the Clerk is not a signatory. The bank accounts are reconciled immediately by the Clerk on receipt of statements each month and online using internet banking, so errors are found immediately and rectified. Internal audit also checks this.	Procedure adequate. Review signatories when necessary, especially after elections.
	Bank mistakes/loss/charges	L		
Reporting and auditing	Communication	L	The Council uses a dedicated accounting software package for which it has a maintenance contract/helpline, etc. Statements are produced from the package monthly for each Council meeting and are discussed and approved at the meeting: bank reconciliation, trial balance and income and expenditure. Annual internal audit	Procedure adequate
	Compliance			Procedure adequate
Direct costs/ overhead expenses/debts	Goods not supplied but billed	L	Financial Regulations set out requirements At each Council meeting, the list of invoices awaiting approval is distributed to Councillors and considered. Council approves the list of requests for payment, before signing the cheques and remittance.	Procedure adequate. Review Financial Regulations annually.
	Incorrect invoicing	L		
	Members expenses	L		

			These are covered by presentation of receipts to Clerk, who then raises a cheque/BACS transfer in accordance with procedure above.	
VAT	Failure to reclaim VAT is reclaimed incorrectly	L L	VAT is reclaimed on a six monthly basis Reviewed by internal auditor annually.	Adequate Adequate
Annual return	Failure to submit within time limits	L	Employers Annual Return is completed and submitted to the Inland Revenue by the Clerk within the prescribed time frame. The return is signed by the Council and submitted to the internal auditor for completion and signing and then sent to the External Auditor within the time limit.	Procedure adequate.
Charges – rentals receivable	Non-receipt of Horsewash Rent	M	Clerk invoices the tenant in January each year and the rent is chased if not received.	Lease has been updated and rent increased in Jan 2013
Salaries and associated costs	Salary paid incorrectly. Wrong NI or PAYE deductions made. Unpaid tax or NI	L	Salary rates are assessed annually/NALC/SLCC Clerk provides monthly salary analysis to the Council, including NI and PAYE analysis, done using HMRC software. Contributions are signed off quarterly by the Council. The Clerk keeps a record of hours worked and has a job description.	Salary is reviewed annually and Clerk has a contract.
Data protection	Provision of policy	H	Council currently has no policy on data protection nor is it registered with the Data Protection Agency	None required
Freedom of Information Act	Provision of policy	H	Council has a model publication scheme as of Dec 2013.	Adequate.

2. ASSETS				
Subject/item	Risk(s) identified	Risk level H/M/L	Management/control of risk	Review/Assess/Revise
Street furniture, play areas, open spaces, noticeboards, office equipment, gates and fences, footpaths	Loss or damage Risk/damage to third party(ies) or to property	L L	Asset register is kept. Regular checks are made of recreation areas (by PC weekly and MBC monthly and by The Play Inspection Company annually) and of footpaths by the PC. Clerk monitors noticeboards and office equipment.	Clerk is updating the asset register. Insurance is reviewed annually.

3. LIABILITY				
Contractors	Not insured or inadequately insured	L	Clarify with any subcontractor that they are insured and obtain copies of certificates and schedules.	Procedure adequate.
Employees	Health and Safety issues for Clerk/Car Park Attendant and contractors	M/H	The Parish Council has a Health and Safety Policy, adopted 5 th Sept 2017, Minute 118, of which contractors, the Clerk and the Car Park Attendant all have a copy.	Adequate
Public liability	Risk to third party, property or individuals, including volunteers (eg Speedwatch)	M	Insurance is in place up to £10 million.	Review insurance annually.
Employer liability	Non compliance with employment law	L	Member of KALC and SLCC so advice can be sought. Insurance is in place up to £10 million.	Procedure adequate
Legal liability	Proper and timely reporting via minutes Document control	L L	Minutes always received and approved at following monthly meeting Financial and other documents retained as legally required. Minutes and accounts have to be	Adequate

			retained indefinitely, other documents for a lesser period.	Procedure adequate – see NALC Legal Topic Note 40
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4. COUNCILLORS PROPRIETY				
Members interests	Conflict of interests	M	Councillors have a duty to declare any interests at the start of every meeting and these are noted and minuted	Adequate
	Register of interests	M	Register of interests form is completed by each new councillor. Should be regularly reviewed and updated, as interests change.	Councillors to inform Clerk as interests change.