RISK ASSESSMENT

Mission Statement
To provide services for, and manage and maintain the assets of, the Parish of Pitsford, within the resources provided by the annual precept and other incomes, taking into account the wishes of the resident and the need to obtain value for money

This document identifies risks, assesses likelihood and impact and includes an action plan for managing risks. Likelihood and impact have been assessed on a Low –Medium – High scale. Clearly those risks that record a High-High or Medium- High score require the most careful monitoring and review.

Aim	Risk	Likelihood/Impact	Method used to Minimise Risk	Person(s) Responsible
1. Business Continuity	1. Incapacity of Clerk	Low/High	Contact Northants County Association NCALC for a locum clerk.	All Members
	2. Resignation of the Clerk	High/High	Undertake succession planning with NCALC	All Members
	3. Loss or theft of records	Medium/High	All old copies of Minutes prior to electronic use are deposited with the County Records. All minutes from 2010 are held on the Council's website All records are backed up weekly to a suitable electronic device	Clerk
	4. Failure to retain or secure the necessary number of Members for a Council	Low/High	Maintain an up to date Member attendance register. Advertise for an election immediately a vacancy exists Co-opt Members where no election held Notify DDC if not enough Members for quorum.	Clerk Clerk All Members
2. To ensure compliance with Acts of Parliament, Council's financial regulations and code of conduct	1. Lack of knowledge of regulations and codes	Low/High	Ensure that all Councillors have available relative Acts. That a Code of Conduct, Standing Orders and Financial Regulations are in place. Highlight essential parts and provide training where relevant.	Clerk Chair
	2. Absence of standing orders	Low / High	Ensure that Standing Orders are produced, adopted by Council, understood by Councillors, and reviewed annually	Clerk Chair

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	3. Actions by the Parish Council outside its powers laid down by Parliament	Low/High	As at 2.1 above, but ensure that powers are highlighted or extracted into effective summary.	Clerk Chair
	4. Lack of commitment to regulations and procedures	Low/High	Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual councillors.	Clerk Chair All Members
	5. Items purchased without proper tendering procedures not providing value for money or resulting in accusations of commercial favouritism	Low/High	Ensure that all councillors are aware of regulations re budgetary control and tender procedures. Introduce practice of estimates for all purchases over a figure agreed in the financial regulations.	Clerk Chair
	6. Payments made without prior approval and adequate control	Low/High	Ensure all payments are approved in Council meetings and recorded in minutes. Where prior payment is required, this is approved by the Chair or Vice Chair.	Clerk
	7. Lack of control of signatories to cheques	Low/High	Two Councillors/Clerk as authorised signatories approved by Council	Clerk
	8. VAT not properly accounted for, resulting in overclaims and large demands from C&E	Low/Medium	Ensure appropriate publications held and that Clerk has good knowledge of regulations.	Clerk Chair
To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct (cont.)	9. Notice of meeting	Low/Medium	A notice of meeting, including the agenda are placed on the notice board in each village and on the Council's website giving the required notice for each meeting	Clerk
	10. Approval of minutes	Low/Medium	Minutes are approved at the next meeting of the Council. A copy of the minutes is displayed on the notice boards and Council's website by no later than one month from the meeting.	All Members Clerk
	11. Register of Interests	Low/High	Members are required to declare an interest in any item of business and this is recorded in the minutes. Completed 'Register of Financial & Other Interest' Forms are submitted to the Monitoring Officer and regularly reviewed by Members.	All Members Clerk All Members

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	12. Security of Data	Low/High	Confidential documents are held in a locked cabinet	Clerk
	13. Freedom Of Information	Low/High	The Council has adopted the model scheme and registered this with the Information Commissioner.	Clerk
3. 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	Low/Medium	All councillors to be made aware of need for objectives and identification of risk. Agree objectives and Priorities as part of Annual Report Attend training sessions if practicable.	Clerk All Members
	2. Lack of commitment by Council Members	Low/Medium	Add risk assessment to agenda at least annually, reviewing particular items, and results against those items.	Clerk Chair
	3. No risk analysis carried out	Low/High	As at 3.1 above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission	Clerk Chair
	4. No steps taken to combat identified risks	Medium/High	As at 3.2 above.	All Members
	5. Failure to prioritise in practice	High/High	All councillors to be made aware that priorities must be set on the basis of the capacity of the Parish Council to deliver. Attend Training where appropriate.	All Members
	6. Impact of potential Public Spending Cuts	High/High	All councillors to be made aware that priorities must be set on the basis of the financial capacity of the Parish Council to deliver. Attend Training where appropriate.	All Members

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4. To influence Government and other organisations to fulfil the requirements of the Parish population	1. Lack of effective lines of communication with other organisations	Low/High	Note all communication lines that are essential or beneficial and make information available. Establish contacts by name and where possible face-to-face.	Clerk
	2. Lack of effective lines of communication with parishioners	Low/High	Implement Communications and Engagement Strategy Take every opportunity to publicise role of Parish Council through Parish newsletters and website. Effective use of Notice Boards and "fliers". Create Parish/Neighbourhood Plan through the use of parishioners' views from detailed questionnaires and public meetings. Use key issues to raise profile of Parish Council and to test parishioners' views.	Clerk All Members Chair
	3. Lack of preparation on subjects requiring influence	Low/High	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.	All Members
	4. Lack of confidence by Parish Councillors	Low/Medium	As at 4.1 above. Experienced councillors to assist newcomers and provide relevant training where necessary	Chair
5. 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	Medium/High	Creation of standing orders and familiarisation with those where greatest risk occurs.	Clerk
	2. Lack of education of Councillors regarding culpability	Medium/High	As at 5.1 above. Delegate responsibility to one or two experienced Councillors to assist newcomers to understand culpability. Attend any training courses available.	Chair All Members All Members
	3. Inadequate insurance cover taken out – property, public liability, employer's liability, fidelity insurance.	Low/High	Review risk assessment by including on agenda of Parish Council meetings at least annually. Review at annual insurance renewal. Ensure a risk assessment is carried out for all new assets and appropriate insurance cover considered.	All Members All Members
6. To keep appropriate books of account accurately and up-to-	1. Lack of knowledge of accounting requirements	Low/High	Ensure that all Councillors are familiar with current financial regulations and include them in standing orders. Regularly review standing orders.	All Members

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date throughout the financial year	2. Lack of commitment to accounting requirements	Low/High	As at 6.1 above. Clerk to produce up to date financial reports at all meetings. Internal and External audit reports to be made available to all Councillors and any recommendations to be acted upon promptly.	All Members Clerk Clerk
	3. Bank charges unnecessarily incurred	Low/High	Clerk to balance accounts against bank statements monthly	Clerk
	4. Inaccuracies in recording amounts, totals in books of account, and bank reconciliations	Low/High	Clerk to ensure that books of account are formatted in such a way that internal controls are included and activated. Annual internal audits to advise on internal controls required.	Clerk Internal auditor
	5. Banking	Low/High	All banking and drawing of cheques to be in accordance with Section 5 of Financial Regulations	Clerk
	6. Inaccuracies and interest losses caused by account transfers	Low/High	Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account.	Clerk
	7. The most beneficial interest terms not being employed	Low/High	Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts.	Clerk
	8. Inadequate control of cash receipts and payments	Low/High	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 Clerk
	9. Books of account not kept up to date/ invoices not posted promptly	Low/High	Regular weekly/monthly update of accounts by Clerk. Financial reports at all Parish Council meetings.	Clerk Clerk
To keep appropriate books of account accurately and up-to-date throughout the financial year (cont.)	10. Internal controls not in place or not operated	Low/High	As at 6.8 above.	Clerk
	11. Payments missed or delayed due to inadequate filing of invoices	Low/High	As at 6.8 above. All invoices to be checked and filed as pending on receipt and reported to next Parish Council meeting.	Clerk

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7. 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	Low/High	As at 3.2	All Members
	2. Use of funds not giving value for money	Low/High	Effective budget planning processes. Creation of annual plan from parish plan and any consultation process. Creation of outline 2/3 year plan.	All Members All Members All Members
	3. Use of funds not in accordance with the wishes of the residents	Low/High	As at 7.2 above Appointment of RFO (Clerk) to create effective financial management.	All Members All Members
	4. Charges for use of facilities inadequate	Low/Medium	Effective financial management and prompt collection by RFO. Internal audit checks.	Clerk Internal Auditor
	5. Fund raising not properly controlled or not in accordance with regulations	Low/High	All Councillors to be aware of need to check regulations before commencing fund-raising activities. Effective financial management by RFO.	All Members Clerk
8. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate	1. Lack of knowledge of budgetary process, and Council regulations	Low/High	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. Delegate responsibility for managing budgetary process to a Finance Committee appointed by the Council	All Members Clerk All Members
	2. Lack of commitment to budgetary process	Low/High	As at 8.1 above Involve all Councillors in budgetary process not solely the Clerk.	All Members All Members
	3. Inadequate consideration of requirements for annual precept	Low/High	As at 8.1 above Start consideration of calculation at least 4 months prior to submission date Create annual and 2/3 year plans to assist in process.	All Members All Members All Members
	4. Calculation not in accordance with Council regulations	Low/High	Checks by RFO and Internal Auditor.	Clerk
	5. Inadequate internal controls with regard to monitoring expenditure	Low/High	Financial and budget progress reports to all Parish Council meetings.	Clerk

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	6. Election Costs	Medium/High	In an election year, estimated costs obtained from the Electoral Officer and included in the budget. In other years the Council provides a sum within its working balance to meet possible by-election costs. If necessary arrange instalment payment plan with Principal Authority	Clerk/All Members All Members Clerk
	7. Reserves too low	Medium/High	As at 8.5 above.	All Members
9. 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 e.g. grants, funding streams	Medium/Medium	Work closely with local association and residents' groups to gain experience of all grants/funds available and application procedures.	Clerk All Members
	2. Lack of commitment to pursue possible sources of income	Low/Medium	As at 9.1.	Clerk All Members
	3. Non receipt of sums claimed	Low/Medium	All applications and approvals reported through minutes to create an audit trail	Clerk
	4. Receipts not banked or not banked promptly	Low/Medium	Financial and budget progress reports to all Parish Council meetings. Internal audit checks.	Clerk Internal Auditor
	5. Debts not pursued promptly	Low/Medium	As at 9.3 above.	Clerk
	6. VAT claims not made promptly or made incorrectly	Low/Medium	Ensure Clerk has appropriate and up-to-date VAT official publications. Financial and budget progress reports to all Parish Council meetings. Internal audit checks.	Clerk Internal Auditor

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10. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with Council regulations, and adequately monitored	1. Inappropriate rate of pay to employees	Low/Low	A contract of employment and job description and person specification is agreed for the Clerk Ensure employee regulations are available and understood by Clerk Financial and budget progress reports to all Parish Council meetings. Terms and conditions are agreed in the minutes.	All Members Clerk/Chair Clerk All Members
	2. Tax and NI arrangements not in accordance with regulations	Low/Low	No additional payment without Council approval	All Members
	3. Amounts paid to contractors not in accordance with contract and inadequately monitored	Low/Low	Liability reported through Council Minutes. Internal audit checks As at 10.1 above. Financial and budget progress reports to all Parish Council meetings. Appoint Councillor to monitor contract work carried out. Internal audit checks	Clerk Internal Auditor Clerk Internal Auditor Clerk All Members Internal Auditor
11. 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	Low/High	Include financial regulations in Standing Orders. Attend training seminars where available.	All Members
	2. Late or non- submission of annual accounts	Low/High	Include a time table in Standing Orders/Financial Regulations. Financial and budget progress reports to all Parish Council meetings.	Clerk Clerk
	3. Year-end accounts not prepared, inaccurate, or not in accordance with Council requirements	Low/High	Financial and budget progress reports to all Parish Council meetings. Internal audit checks	Clerk Internal Auditor
	4. Inadequate audit trail from records to final accounts	Low/High	As at 11.3 above.	Internal Auditor

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12. 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	Medium/High	Ascertain and record all assets for which Parish Council is responsible. Create permanent asset register and include in final accounts.	All Members Clerk
	2. Assets lost or misappropriated	Medium/High	Establish who is responsible for security and maintenance of each asset. Appoint Councillor responsible for regular monitoring of location and use of assets.	All Members All Members
	3. Inadequate or inaccurate valuation of the Council's assets	Medium/High	Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks.	Clerk Internal Auditor
	4. Asset register not established or inadequately maintained	Medium/High	Create asset register in accordance with Audit Commission requirements.	Clerk
13. To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.	1. Lack of knowledge of applicable legislation	Medium/Medium	Clerk to have all appropriate legislation available. Review liabilities and responsibilities periodically at Parish Council meetings.	Clerk All Members
	2. Lack of public awareness of applicable legislation	Medium/Medium	Include, as appropriate, in any public consultations.	All Members
	3. Failure to comply with applicable legislation	Medium/High	As at 13.1 above	Clerk All Members
14. To carry out adequate safety checks on all buildings, properties, and equipment for which the council is responsible	1. Lack of information on properties, buildings and equipment	Medium/High	Ensure that all current legislation and advice is held by Clerk. Include in asset register all properties and assets for which Parish Council is responsible. Ensure all assets and details of all risks are adequately detailed with insurance company.	Clerk Clerk Clerk
	2. Lack of knowledge of safety requirements/commitment to carrying out safety checks	Medium/High	Ensure that all current legislation and advice is held by Clerk.	Clerk

Adopted: May 2019 **Reviewed annually at the Annual Council Meeting.**