

## Risk Assessment Strategy

### Mission Statement of Parish Council:

To provide services for, and manage and maintain the assets of, the village of Cranwell, Byard's Leap Brauncewell Parish Council, 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
<p><b>1.</b> To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.</p>	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 possible.	Chair Proper Officer (PO)
	2. Absence of standing orders	Ensure that Standing Orders are produced, understood by councillors, and reviewed at least once per year.	Chair PO
	3. Actions by the PC outside its powers laid down by Parliament.	As at 1 above, but ensure that powers are highlighted or extracted into effective summary.	Chair PO
	4. Lack of commitment to regulations and procedures.	Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual councillors.	Chair All Cllrs
	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.	PO 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.	PO RFO
	7. Lack of control of signatories to cheques.	Keep authorised signatories to a minimum consistent with practicalities.	PO RFO
	8. VAT not properly accounted for, resulting in overclaims and large demands from C&E.	Ensure appropriate publications held and that Clerk has good knowledge of regulations.	PO RFO Chair

<p><b>2.</b> To identify and regularly review the Council's priorities.</p>	<p>1. Lack of knowledge of how to set objectives, set priorities, and identify risks to 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 aware of need for objectives and identification of risk. Attend training sessions if practicable.</p> <p>Add risk assessment to agenda at least quarterly, 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>	<p>All Cllrs</p> <p>All Cllrs</p> <p>All Cllrs</p> <p>All Cllrs</p>
<p><b>3.</b> To influence other council departments and Government organisations to fulfil the requirements of the Parish population.</p>	<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 Notice Boards and "fliers". Use key issues to raise profile of PC and to test parishioners views. Add social event to occasional meeting. 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 newcomers to establish essential contacts.</p> <p>Delegate responsibility for specific contacts to individual councillors</p>	<p>PO Chair</p> <p>PO Chair PO All Cllrs</p> <p>All Cllrs All Cllrs</p> <p>Chair PO</p> <p>All Cllrs</p> <p>Chair</p>
<p><b>4.</b> To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks.</p>	<p>1. Lack of knowledge of possible culpability of councillors.</p> <p>2. Lack of education of Councillors regarding culpability.</p>	<p>Creation of Standing Orders and familiarisation with those where greatest risk occurs.</p> <p>As at 1. above. Delegate responsibility to one or two councillors to assist newcomers to understand culpability.</p>	<p>All Cllrs</p> <p>Chair PO</p>

		Attend any training courses available.	All Cllrs
	3. Inadequate insurance cover taken out – property, personal liability, employers’ liability.	Review risk assessment by including on agenda of PC meetings at least quarterly. Delegate responsibility for keeping up-to-date with insurance requirements to an individual councillor.	All Cllrs Chair
5. To keep appropriate books of account accurately and up-to-date through out 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.	RFO All Cllrs
	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.	All Cllrs RFO
	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.	RFO
	4. Inaccuracies in recording amounts, totals in books of account, and bank reconciliations.	RFO to ensure that 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.	RFO
	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.	RRO
	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.	RFO
	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.	N/A
	8. Books of account not kept up to date/ invoices not posted promptly.	Regular checks by RFO and internal auditor. Financial reports at all PC meetings.	RFO
	9. Internal controls not in place or not operated.	As at 8. above.	All Cllrs
	10. Payments missed or delayed due to	As at 8. above.	RFO

	inadequate filing of invoices. 12. Clerk taken ill or leaves without replacement	Appoint a councillor as RFO to be familiar with all aspects of financial matters.	Chair
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 Ensure residents are consulted on all major financial issues.	All Cllrs
	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.	All Cllrs
	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.	All Cllrs
	4. Charges for use of facilities inadequate.	Effective financial management by RFO. Internal audit checks.	RFO All Cllrs
	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.	All Cllrs
7. 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.	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 one councillor or to councillor appointed as RFO	All Cllrs RFO PO Chair
	2. Lack of commitment to budgetary process.	As at 1. above Involve all councillors in budgetary process not solely the clerk.	All Cllrs
	3. Inadequate consideration of requirements for annual precept.	Place item on agenda early in year to remind councillors of budget process and actions required. Delegate responsibility for managing budgetary process to one councillor or to councillor appointed as RFO Start consideration of calculation at least 4 months prior to submission date. Create annual and 2/3 plans to assist in process.	PO All Cllrs
	4. Calculation not in accordance with Council regulations.	Checks by RFO and Internal Auditor.	RFO
	5. Inadequate internal controls with regard to	Checks by RFO and Internal Auditor.	RFO

	<p>monitoring expenditure.</p> <p>6. Reserves too low.</p>	<p>Financial and budget progress reports to all PC meetings.</p> <p>As at 5 above.</p>	<p>ALL Cllrs</p>
<p><b>8.</b> To explore all possible sources of income, and to ensure that expected income is fully received.</p>	<p>1. Lack of knowledge of possible sources of income e.g. grants.</p> <p>2. Lack of commitment to pursue possible sources of income.</p> <p>3. Receipts not banked or not banked promptly.</p> <p>4. Debts not pursued promptly.</p> <p>5. VAT claims not made promptly or made incorrectly.</p>	<p>1. Appoint a councillor as Grants Officer to gain experience of all grants available and application procedures.</p> <p>As at 1.</p> <p>Regular checks by councillor appointed as RFO. Internal audit checks.</p> <p>As at 3. above.</p> <p>Ensure Clerk has appropriate and up-to-date VAT official publications. Regular checks by councillor appointed as RFO. Internal audit checks.</p>	<p>RFO All Cllrs</p> <p>RFO All Cllrs</p> <p>RFO</p> <p>RFO</p>
<p><b>9.</b> 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 by Clerk Checks by councillor appointed as RFO. Internal audit checks</p> <p>As at 1 above.</p> <p>Internal audit checks Checks by councillor appointed as RFO Appoint councillor to monitor contract work carried out.</p>	<p>RFO</p> <p>RFO</p> <p>RFO</p>
<p><b>10.</b> 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>Include financial regulations in Standing Orders. Attend training seminars where available.</p> <p>Include a time table in Standing Orders. Councillor appointed as RFO to monitor progress against timetable and report to PC meetings.</p> <p>Checks by councillor appointed as RFO Internal audit checks</p>	<p>All Cllrs</p> <p>RFO</p>

	4. Inadequate audit trail from records to final accounts.	As at 3 above.	RFO
<b>11.</b> 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.	All Cllrs
	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.	PO All Cllrs
	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.	PO All Cllrs
	4. Asset register not established or inadequately maintained.	Create asset register in accordance with Audit Commission requirements.	PO
<b>12.</b> 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 PC meetings.	PO
	2. Lack of public awareness of applicable legislation.	Include, as appropriate, in any public consultations.	PO
	3. Failure to comply with applicable legislation.	As at 1 above	PO All Cllrs
<b>13.</b> 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.	Ensure that all current legislation and advice is held by Clerk. Include in asset register all properties for which PC responsible.	All Cllrs PO
	2. Lack of knowledge of safety requirements.	Ensure that all current legislation and advice is held by Clerk. Place subject as item on PC meeting agenda at regular intervals.	PO
	3. Lack of commitment to carrying out safety checks.	As at 2. above. Delegate responsibility for particular properties to individual councillors.	