



# **SCOTHERN PARISH COUNCIL**

## **Risk Assessment and Register**

Adopted 8 January 2020  
Reviewed June 2024

## Risk Status Indications

The adopted risk management methodology uses a traffic light colour against each risk item to confirm its current status.

The colour coding is defined as follows:

- This identified risk is being effectively managed with adequate reviews, processes and/or documentation as appropriate.

- *As applicable, either*

This identified risk is being managed. However, there are aspects of risk management, which ought to be improved to achieve a green status. It is recognised that sometimes improvements may be difficult to achieve and remedial work may take time (e.g. a need for Councillor training).

*or*

This identified risk is not under adequate management. However, if this risk arises, it will have a minimal impact upon the Council. Whilst attempts can be made over time to improve the management of this risk, there may be occasions where the cost of mitigation is not warranted (e.g. holding spare parts or equipment).

- This identified risk, which has a serious potential impact upon the Council is not under adequate management. This represents a key risk, which will be highlighted to meetings of the Council until such time that it is adequately managed or mitigated. Certain key risks with a low probability may be entirely beyond the management control capability of the Council – such risks may retain a red status upon the agreement of Council.

Scothern Parish Council is well served by clearly stated policies and procedures, which are reviewed annually.

Aim	Risk	Method used to Minimise Risk	Responsibility	Action required	Risk Assessment RAG Rating
<p>1. To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.</p>	<p>a) Breaking the Councils financial regulations and/or standing orders or lack of commitment to follow them.</p> <p>b) Lack of knowledge of regulations and codes.</p> <p>c) Actions by the PC outside its powers laid down by Parliament</p> <p>d) Lack of commitment to regulations and procedures</p> <p>e) Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism. Payments made without prior approval and adequate control. Lack of control of</p>	<ul style="list-style-type: none"> <li>- All Councillors to be issued with the relevant updated policies when they join the Parish Council.</li> <li>- Updated policies to be reviewed and approved Councillors at relevant meetings.</li> <li>- All policies available on website</li> <li>- All Councillors to attend introduction to councillor training within first six months of joining.</li> <li>- Ensure that all Councillors have copies of relative Acts, Code of Conduct, and Standing Orders. -</li> <li>- Highlight essential parts and provide training where possible but ensure that powers are highlighted or extracted into effective summary</li> <li>- Regular reference to appropriate regulations in agenda items.</li> <li>- Ensure that all councillors are aware of regulations re estimates and full tender procedures.</li> <li>- Introduce practice of estimates for all purchases over an agreed figure.</li> <li>- Ensure evidence is kept showing at least three quotations have been sought</li> <li>- Ensure all payments are approved in Council meetings and recorded in minutes.</li> <li>- Avoid cash payments, if possible.</li> <li>- Keep authorised signatories to a minimum consistent with practicalities</li> </ul>	<p>Responsible Finance Officer (RFO) All councillors</p>	<ul style="list-style-type: none"> <li>- All Councillors to confirm they are in receipt of up-to-date copies of Policies and Procedures.</li> <li>- All councillors to ensure they are up-to-date with appropriate policy training</li> <li>- VAT returns to be submitted</li> <li>- RFO to inform the council on updated policies &amp; regulations</li> <li>- ALL THE ABOVE ONGOING THROUGHOUT THE YEAR</li> <li>- Review Bank signatories annually</li> </ul>	<p><b>Low</b></p>

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	f) signatories to cheques VAT not properly accounted for, resulting in overclaims and large demands from HMRC.	<ul style="list-style-type: none"> <li>- Ensure appropriate publications held and that RFO has good knowledge of regulations.</li> <li>- Ensure VAT returns are submitted regularly and reconciled with finance sheets.</li> </ul>			
2. To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.	a) Lack of knowledge of applicable legislation b) Lack of public awareness of applicable legislation c) Failure to comply with applicable legislation	<ul style="list-style-type: none"> <li>- Clerk to have all appropriate legislation available.</li> <li>- Review liabilities and responsibilities periodically at PC meetings</li> <li>- Include, as appropriate, in any public consultations.</li> <li>- Review liabilities and responsibilities periodically at PC meetings.</li> <li>- Sign up to the Respect and Dignity Pledge</li> </ul>	Clerk All councillors	<ul style="list-style-type: none"> <li>- Safeguarding Policy to be approved June 2024</li> </ul>	
3. To identify and regularly review the Council's priorities and risks	a) Lack of knowledge of how to set objectives, set priorities, and identify risks to their achievement. b) Lack of commitment by council members c) No risk analysis carried out. d) No steps taken to combat identified risks	<ul style="list-style-type: none"> <li>- All councillors to be made aware of need for objectives and identification of risk.</li> <li>- Attend training sessions when available.</li> <li>- Review risk assessment annually.</li> <li>- Ensure Councillors are given a schedule of meetings at the beginning of the year.</li> <li>- Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission</li> </ul>	Clerk All councillors	<ul style="list-style-type: none"> <li>- Councillors training – as &amp; when required</li> </ul>	
4. To influence other council departments and	a) Lack of effective lines of	<ul style="list-style-type: none"> <li>- Take every opportunity to publicise role of Parish Council.</li> </ul>	Clerk Chair	<ul style="list-style-type: none"> <li>- Clerk to update the website/Facebook</li> </ul>	

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Government organisations to fulfil the requirements of the Parish population.	communication with parishioners b) Lack of effective communication with other organisations c) Lack of preparation on subjects requiring influence.	<ul style="list-style-type: none"> <li>- Maintain an active web site &amp; Facebook page</li> <li>- Monthly Council report of activities in parish magazine.</li> <li>- Effective use of Notice Boards and "fliers".</li> <li>- Use key issues to raise profile of PC and to test parishioners' views.</li> <li>- Add social event to occasional meeting, in particular the Annual Parish meeting.</li> <li>- Ensure that the Annual Parish Meeting provides a real forum for residents to raise issues of concern and to raise/discuss issues they wish the PC to address in the year ahead.</li> <li>- Promote regular attendance at meetings from County Councillor and District Councillor</li> </ul>		regularly; monthly Parish Clips; and notice boards. - Resident Surveys Clerk – to send monthly agendas to LCC & WLDC councillors	
5. To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks	a) Lack of knowledge of possible culpability of councillors. b) Lack of education of Councillors regarding culpability c) Inadequate insurance cover taken out – property, personal liability, employer's liability	<ul style="list-style-type: none"> <li>- Council has standing orders and Councillors are encouraged to become familiar with those where greatest risk occurs.</li> <li>- Assist newcomers to understand culpability</li> <li>- Attend any training courses available</li> <li>- Review risk assessment annually</li> <li>- Ensure asset register is kept up to date</li> <li>- Ensure that Council activities, councillors and volunteers working on behalf of the Council are covered by adequate insurance.</li> </ul>	Clerk All councillors		
6. To keep appropriate books of account	a) Inaccuracies and interest	- Keep number of accounts to a minimum but ensure that any large	RFO	- The IA report recommended that a	

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accurately and up to date throughout the financial year.	losses caused by account transfers. b) RFO/Clerk taken ill or leaves without replacement. c) Lack of knowledge of accounting requirements d) Bank charges unnecessarily incurred. e) Inaccuracies in recording amounts, totals in books of account, and bank reconciliation. f) Inadequate control of cash receipts and payments. g) Books of account not kept up to date/ invoices not posted promptly. h) Internal controls not in place or not operated. i) Payments missed or delayed due to inadequate filing of invoices.	credit balances are deposited in an interest-bearing account – Appoint temporary replacement - ask the previous RFO in the short term but if not available or not willing seek assistance from the Internal Auditor. – Ensure that all councillors are familiar with current financial regulations and include them in standing orders. – Annual review of standing orders. – 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 – RFO to carry out regular inspection of account books. – Internal audit to be undertaken twice a year – RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. – Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest-bearing account. – Avoid cash payments and receipts if possible. – Regular checks by RFO and internal auditor. – Financial reports at all PC meetings.		dual authorisation process is put in place for making BACs payments using the online bank. – To ensure all members follow the Financial Regulations	

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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	a) Lack of knowledge of wishes of residents. b) Use of funds not giving value for money c) Use of funds not in accordance with the wishes of the residents. d) Charges for use of facilities inadequate. e) Fund raising not properly controlled or not in accordance with regulations	<ul style="list-style-type: none"> <li>- Take every opportunity to publicise role of Parish Council.</li> <li>- Maintain an active web site.</li> <li>- There is a monthly Council report of activities in parish magazine.</li> <li>- Effective use of Notice Boards and "flyers".</li> <li>- Use key issues to raise profile of PC and to test parishioner's views.</li> <li>- Add social event to occasional meeting, in particular the Annual Parish meeting.</li> <li>- Ensure that the Annual Parish Meeting provides a real forum for residents to raise issues of concern and to raise/discuss issues they wish the PC to address in the year ahead.</li> <li>- Ensure residents are consulted on all major financial issues.</li> <li>- Effective budget planning processes</li> <li>- Appointment of RFO to create effective financial management.</li> <li>- Internal audit checks to cover consultation process.</li> <li>- Use of Annual Parish Meeting to establish residents wishes.</li> <li>- Effective financial management by RFO.</li> <li>- Internal audit checks</li> <li>- All councillors to be aware of need to check regulations before commencing fund-raising activities.</li> <li>- Effective financial management by RFO.</li> </ul>	Clerk/RFO All Councillors		

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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	a) Lack of knowledge of budgetary process, and Council regulations Lack of commitment to budgetary process b) Inadequate consideration of requirements for annual precept. c) Calculation not in accordance with Council regulations d) Inadequate internal controls with regard to monitoring expenditure. e) Reserves too low.	<ul style="list-style-type: none"> <li>- Regulations are in Standing Orders issued to all councillors.</li> <li>- Place item on agenda early in year to remind councillors of budget process and actions required.</li> <li>- Include regulations in Standing Orders issued to all councillors.</li> <li>- RFO responsibility for managing budgetary process</li> <li>- Start consideration of calculation at least two months prior to submission date</li> <li>- Checks by RFO and Internal Auditor.</li> <li>- Financial reports to all PC meetings.</li> <li>- Budget progress reports quarterly to PC meetings.</li> </ul>	Clerk/RFO All Councillors		
9. To explore all possible sources of income, and to ensure that expected income is fully received	a) Lack of knowledge of possible sources of income e.g. grants. b) Lack of commitment to pursue possible sources of income. c) Receipts not banked or not banked promptly.	<ul style="list-style-type: none"> <li>- Obtain details as and when necessary.</li> <li>- Ensure invoices are issued as soon as possible, followed by monthly statements if needed.</li> <li>- Regular checks by RFO.</li> <li>- Internal audit checks.</li> <li>- Ensure RFO has appropriate and up-to-date VAT official publications</li> <li>- VAT reclaimed at least yearly</li> </ul>	Clerk/RFO		



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	d) Debts not pursued promptly. e) VAT claims not made promptly or made incorrectly				
10. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations, and adequately monitored	a) Payments are not made, and the Council is chased for money / legal action. b) Inappropriate rate of pay to employees c) Tax and NI arrangements not in accordance with regulations through PAYE. d) Amounts paid to contractors not in accordance with contract and inadequately monitored.	<ul style="list-style-type: none"> <li>- Invoices are filed and included on the next agenda after being received.</li> <li>- Employee salary is submitted via HMRC Basic PAYE Tool monthly.</li> <li>- HR group check wage rates at staff appraisal yearly</li> <li>- Payments made through HMRC Basic PAYE web tools.</li> <li>- Majority of payments now made via bank transfer</li> <li>- Ensure employee regulations are available and understood by Clerk</li> <li>- Checks by RFO.</li> <li>- Internal audit checks.</li> </ul>	RFO/Clerk HR Group		
11. To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.	a) Lack of knowledge of Council regulations and procedures b) Late or non-submission of annual accounts.	<ul style="list-style-type: none"> <li>- Follow Financial regulations &amp; Standing Orders.</li> <li>- Attend training seminars where available.</li> <li>- RFO to monitor progress and report to PC meetings.</li> <li>- Checks by RFO</li> <li>- Internal audit checks</li> </ul>	RFO		

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	c) Year end accounts not prepared, inaccurate, or not in accordance with Council requirements d) Inadequate audit trail from records to final accounts.				
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	a) Lack of knowledge of assets of Parish Council. b) Assets lost or misappropriated c) Inadequate or inaccurate valuation of the council's assets d) Asset register not established or inadequately maintained.	<ul style="list-style-type: none"> <li>- Record all assets for which Parish council is responsible.</li> <li>- Create permanent asset register.</li> <li>- Establish who is responsible for security and maintenance of each asset.</li> <li>- Appoint councillor responsible for regular monitoring of location and use of assets</li> <li>- Internal audit checks.</li> <li>- Create asset register in accordance with Audit Commission requirements</li> </ul>	Clerk RFO Councillors	-Councillor to regularly checks condition of assets -Clerk to update Assets register as and when required	
13. To carry out adequate safety checks on all buildings, properties, and equipment for which the council is responsible. This includes carrying out adequate safety checks on the children's play areas owned by the Council	a) Lack of commitment to carrying out safety checks. b) Lack of information on properties, buildings and equipment. c) Lack of knowledge of safety requirements	<ul style="list-style-type: none"> <li>- Responsibility for particular priorities is delegated to individual councillors and reported to the full council on a monthly basis.</li> <li>- Ensure that all current legislation and advice is held by Clerk.</li> <li>- Include in asset register all properties for which PC responsible</li> <li>- Regular reports to full council on assets/play area</li> <li>- Delegate responsibility for particular priorities to individual Councillors</li> </ul>	Clerk All Councillors	-Regular Play area checks -Regular inspection (min twice yearly) of village assets -bring to the attention of the clerk/chair- any dangerous/unsafe item	

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	d) Lack of commitment to carrying out safety checks				
14. To prevent risk of electronic data loss	a) Loss of data due to virus/malicious code. b) Loss of data due to hardware/software failure of council computer c) Loss of data due to physical theft of council computer facility/data stores	<ul style="list-style-type: none"> <li>– Install and configure anti-virus/firewall software and ensure that it is set to automatically update and scan regularly</li> <li>– Ensure equipment is secured when not in the physical possession of the clerk/councillors.</li> <li>– Consider password protecting/encrypting data.</li> <li>– Regularly save to hard drive</li> </ul>	Clerk	<ul style="list-style-type: none"> <li>– Clerk completes monthly update of electrical documents on a USB3 stick</li> <li>– The IA report recommended that the hard drive and any paper records are kept in fireproof storage – purchased June 2024 metal filing cabinet</li> </ul>	

**The following actions are recommended to be undertaken during 2024/25.**

1. All Councillors to confirm they are in receipt of up-to-date copies of Policies and Procedures. **ALL AVAILABLE TO VIEW ONLINE**
2. Check all Councillors have attended any relevant training. **ONGOING**
3. VAT returns to be submitted. **TWICE A YEAR**
4. Safeguarding Policy to be prepared and agreed. **JUNE 2024**
5. The IA report recommended that a dual authorisation process is put in place for making BACs payments using the online bank. **JUNE 2024**
6. The IA report recommended that the hard drive and any paper records are kept in fire proof storage – to purchase metal filing cabinet **JUNE 2024**