



# ECCLESFIELD PARISH COUNCIL

*Serving the Community since 1894*

## RISK ASSESSMENT FORM

Risk Assessment Form and Guidance			
Activity Being Assessed:	Finance		
Location:	All areas of Council		
Who is exposed to the Risks:	Council and Employees		
Assessor's Name:		Assessor's Job Title:	
Assessor's Signature:		Date of Assessment:	
Review (by) date:			
Legislation applicable:			

Risk	Impact	Control Measures already in place to control the risk	Likelihood	Severity	Review frequency	Alternative review/trigger internal audit assurance	Responsible person (s)
Lack of adequate insurance cover in place	Claims against council impact on finances and service provision. Insufficient funds for contingencies and to carry out functions.	<p>An annual review of insurance is completed to ensure that all appropriate risks are covered including</p> <ul style="list-style-type: none"> <li>• Public Liability</li> <li>• Hirers Liability</li> <li>• Employers Liability</li> <li>• Money</li> <li>• Libel and Slander</li> <li>• Fidelity Guarantee</li> <li>• Personal Accident</li> <li>• Legal Expenses</li> <li>• Business Interruption</li> <li>• Material Damage</li> </ul>	<b>2</b>	<b>5</b>	<b>Annually</b>		<b>Council/Town Clerk</b>
<p>Failure to collect and review rents and charges for the following</p> <ul style="list-style-type: none"> <li>• Room Hire</li> </ul>	Insufficient funds to carry out functions.	<p>A review of the rents and charges are completed annually as an integral part of the budget setting process. Proper records are maintained of income received and banked. A procedure is in place for outstanding debt. Wherever possible money is taken in advance.</p>	<b>2</b>	<b>4</b>	<b>Annually</b>		<b>Town Clerk / Officers</b>

<b>Risk</b>	<b>Impact</b>	<b>Control Measures already in place to control the risk</b>	<b>Likelihood</b>	<b>Severity</b>	<b>Review frequency</b>	<b>Alternative review/trigger internal audit assurance</b>	<b>Responsible person (s)</b>
Inadequate Budget Provision and precept set to cover service provision	Services not provided. Lack of confidence in the council. Inability to carry out functions.	The Budget is prepared and presented to Council annually. The Clerk ensures all expenses are met and unexpected expenses are taken from the relevant budget (Reserves)	<b>2</b>	<b>5</b>	<b>Annually</b>		<b>Council / Town Clerk</b>
Failure to comply with Employment Law	Fines and Penalties from regulatory bodies. Loss of reputation and public image.	Contracts are provided for all staff. Training is given to key members of staff on Employment Law.	<b>2</b>	<b>3</b>	<b>As and when required</b>		<b>Council / Town Clerk</b>
Inability to retain staff, absence or loss of key staff	Failure in budgetary controls, correspondence backlog.	Regular staff meetings and annual appraisals are in place. Emergency cover in place. A training programme for staff is in place.	<b>2</b>	<b>2</b>	<b>As and when required</b>		<b>Council / Town Clerk</b>
Failure to maintain record of council asset, insufficient protection of physical assets owned by the Council	High cost of repair, loss of assets, disruption to service provision, damage to public property or persons.	All acquisitions and disposal of assets are recorded and kept in a safe manner. Buildings are secured and have intruder and fire alarms fitted.	<b>2</b>	<b>3</b>	<b>Annually</b>		<b>Town Clerk</b>
Failure to comply with Customs and Excise Regulations (HMRC)	Inadequate financial controls. Fines and Penalties incurred that is not budgeted for.	VAT is managed and recorded accurately. Completion of quarterly VAT is submitted within the given deadline. Claims are reconciled to the cashbook.	<b>2</b>	<b>4</b>	<b>Quarterly</b>		<b>Town Clerk / Senior Admin Officer</b>

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Contractual arrangements with service providers are not completed	Loss of reputation, poor public image.	Signed contracts are in place as a pre-requisite of service provision.	<b>2</b>	<b>2</b>	<b>As and when required</b>		<b>Town Clerk</b>
Loss of money through theft/misappropriation	Reduction in available funds.	Secure arrangements are in place for all monies held pending banking. Recording of all banking of all cash received takes place daily. Bank reconciliation is completed.					
Poor financial management	Loss of reputation, financial planning, direction and prioritising.	The Responsible Financial Officer manages and maintains the finances on behalf of the Council. Financial Regulations of the Council are reviewed annually. Internal Audit visits take place throughout the year.	<b>2</b>	<b>3</b>	<b>2 visits per annum</b>		<b>Town Clerk</b>
Failure to set a precept within sound budgeting arrangements	Lack of funds to provide services.	Precepts are set at the Budget setting meeting. Reports detailing requirements are provided by the Clerk to Council.	<b>2</b>	<b>5</b>	<b>Quarterly / Annually</b>		<b>Town Clerk / Council</b>

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Failure to ensure proper use of funds under specific powers including Section 137	Lack of funds for projects for which a grant was intended. Investigations into the use of funds.	All expenditure including Section 137 are recorded in the cashbook. All approved grant funding is properly recorded in the council minutes. Accounts are checked by the appointed Internal Auditor on their visit to the Parish council Office.	<b>2</b>	<b>3</b>	<b>Annually</b>		<b>Town Clerk</b>
Failure to comply with Inland Revenue Regulations	Fines and Penalties from regulatory bodies. Loss of reputation and public image.	Comprehensive records of all calculations of income tax, national insurance deductions from pay and regular returns to Inland Revenue are made. Prompt payment of all sums are made.	<b>2</b>	<b>5</b>	<b>At least annually</b>		<b>Town Clerk</b>

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Incur expenditure without proper legal authority	Illegal expenditure.	A record in the minutes of a meeting is made detailing the approved budget under which expenditure is being made.	<b>2</b>	<b>4</b>	<b>As and when required</b>		<b>Town Clerk</b>
Failure to review interest rates/investment rates	Ill informed Council and poor quality decision making	A regular review of investment is carried out. Effective internal audit is in place. Investment / transfer/withdrawal of funds is approved by Council.	<b>2</b>	<b>3</b>	<b>6 monthly / annually</b>		<b>Town Clerk</b>
Lack of maintenance and Security of Deeds of Ownership	Legal costs to provide deeds of ownership	All deeds and relevant documents are held in a fireproof cabinet, within the safe or stored with the Parish council solicitors practice.	<b>2</b>	<b>2</b>	<b>As and when required</b>		<b>Town Clerk</b>
Lack of maintenance of council owned property	High cost of repair, injury to third party leading to claims. Damage to property	Regular inspections are in place and insurance cover is in place.	<b>2</b>	<b>2</b>	<b>Annually</b>		<b>Town Clerk</b>

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Failure to maintain an effective payments system		All payments are supported by an invoice. All details are checked and payments entered into the cash book. All payments are approved by Council and those over the threshold detailed in the Financial Regulations of the Council are recorded in the Council minutes. All payments are signed by at least two authorised members over £100.00. Signatories endorse the cheque counterfoils and check payments against invoices. All expenditure is the subject of sound budgetary control.					

<b>RISK RATING TABLE</b>					
<b>SEVERITY</b>	<b>LIKELIHOOD</b>				
	<b>1 Negligible</b> Highly unlikely to occur	<b>2 Low</b> Unlikely to occur	<b>3 Medium</b> Approximately even chance of occurring	<b>4 High</b> More likely to occur than not	<b>5 Very High</b> Almost certain to occur
<b>1 Insignificant</b> No impact if risk is realised	<b>Low</b> 1	<b>Low</b> 2	<b>Low</b> 3	<b>Low</b> 4	<b>Medium</b> 5
<b>2 Minor</b> Low impact with negligible time/resources implications to correct	<b>Low</b> 2	<b>Low</b> 4	<b>Low</b> 6	<b>Medium</b> 8	<b>Medium</b> 10
<b>3 Significant</b> Harm done to the service with consequences to rectify	<b>Low</b> 3	<b>Low</b> 6	<b>Medium</b> 9	<b>Medium</b> 12	<b>High</b> 15
<b>4 Damaging</b> Serious negative impact on services with significant resources needed to rectify	<b>Low</b> 4	<b>Medium</b> 8	<b>Medium</b> 12	<b>High</b> 16	<b>High</b> 20
<b>5 Grave</b> Consequences serious enough to threaten future service delivery	<b>Medium</b> 5	<b>Medium</b> 10	<b>High</b> 15	<b>High</b> 20	<b>High</b> 25

Approved by Council 09.01.20

Review date May 2020