

**MARKET OVERTON PARISH COUNCIL RISK MANAGEMENT ASSESSMENT**

No.	Description of risk	Numerical assessment pre-mitigation				Mitigation or control	Numerical assessment post-mitigation				Trend of risk from previous report
		Likelihood	Impact	Score	Colour		Likelihood	Impact	Score	Colour	
<b>Business Continuity</b>											
1	Incapacity/absence of the Clerk	2	5	10	G	Designate a person to temporarily act as Clerk in an emergency. A Locum Service is available through the Society of Local Council Clerks. <a href="http://consultancy.slcc.co.uk/register?type=locum">http://consultancy.slcc.co.uk/register?type=locum</a>	1	5	5	G	
2	Resignation of the Clerk	2	5	10	G	Undertake succession planning.	1	5	5	G	
3	Loss or theft of/inability to access records	2	5	10	G	Paper records are kept to a minimum. All Minutes since 2010 are held on the Council's website. Data Back-up to an external hard drive which is kept separately by the Clerk.	1	5	5	G	
4	Failure to retain or secure the necessary number of members for a Council	2	4	8	G	Clerk to maintain an up to date Councillor Attendance Register. Advertise for an election immediately a vacancy exists. Co-opt Members where no election is held.	1	4	4	G	
<b>Ensure compliance with an Act of Parliament, Council's, financial regulations and code of conduct</b>											
5	Lack of knowledge of regulations and codes	2	5	10	G	Ensure that all Councillors have available relevant Acts. That a Code of Conduct, Standing Orders and Financial Regulations are in place. Highlight essential parts and provide training where relevant.	1	5	5	G	
6	Absence of Standing Orders	1	5	5	G	Ensure that Standing Orders are produced and adopted by the Council, understood by Councillors and reviewed	1	5	5	G	
7	Action by the Parish Council outside its powers laid down by Parliament	2	3	6	G	Clerk to monitor relevant legislation and report to Council	1	3	3	G	
8	Lack of commitment to regulations and procedures	2	4	8	G	Chairman and Clerk to review Council's meeting and operational procedures annually.	1	4	4	G	
9	Items purchased without proper tendering procedures, not providing value for money or resulting in accusations of commercial favouritism.	2	3	6	G	Parish Council to obtain at least three quotations for key purchases. See Internal Financial Control System Policy.	1	2	2	G	
10	Lack of control of signatories to cheques	2	5	10	G	Two Councillors as authorised signatories approved by the Council. See Internal Financial Control System Policy.	1	5	5	G	
11	VAT not properly accounted for, resulting in overclaims and large demands from HMRC.	1	4	4	G	Ensure appropriate VAT publications are held and that Clerk has good knowledge of the regulations. See Internal Financial Control System Policy.	1	4	4	G	
12	Notice of meeting	1	2	2	G	The meeting Agenda is placed on the village noticeboard and on the Council's website giving the required notice of each meeting.	1	4	4	G	
13	Approval of minutes	1	4	4	G	Minutes are approved at the next Meeting of the Council. Draft Minutes are forwarded to Councillors and displayed on the Council's website no later than two weeks after a meeting.	1	4	4	G	

14	Register of interests	2	5	10	G
15	Security of data (IT systems and support)	2	5	10	G
16	Freedom of information	2	5	10	G
17	Payments made without prior approval and adequate control	1	4	4	G

#### Governance and Management

18	Engagement by Members in the operation and activities of the Parish Council	2	5	10	G
19	Impact of Public spending cuts	2	4	8	G
20	Lack of engagement by Councillors and Residents on major items of public interest	2	5	10	G
21	Lack of knowledge by Councillors on their role, responsibility and accountability	2	5	10	G
22	Indadequate insurance cover for members and Clerk	2	4	8	G
23	Lack of appropriate financial controls and reporting	1	5	5	G
24	Lack of engagement/knowledge of residents concerns and views	2	5	10	G
25	Use of funds not in accordance with residents wishes	2	5	10	G
26	Lack of commitment by Members to the budgetary process	2	4	8	G
27	Failure to ensure that the annual precept results from an adequate budgetary process.	2	4	8	G

Councillors are required to declare an interest in any item of business and this is recorded in the Minutes. Completed Register of Interests forms are submitted to the Monitoring Officer and regularly reviewed.	BPC	Risk Mar	10	Assessment 2013-14
Confidential documents are stored in a locked filing cabinet by the Clerk	2	5	5	G
The Council has adopted the model scheme.	1	5	5	G
Ensure that all payments are approved in Council meetings and recorded in Minutes. Where prior payment is required this is approved by the Chairman and a designated Councillor.	1	4	4	G

Take every opportunity to publicise the role of the Parish Council through the village newsletter and website. Effective use of village noticeboards. Use key issues to raise profile of Parish Council and to test parishioners views. Publish Councillors contact details on the Website and Village noticeboards.	1	5	5	G
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.	2	5	10	G
Ensure publicity through local village newsletter, village noticeboards and website.	1	5	5	G
Delegate responsibility to one or two experienced Councillors to assist new Members. Attend any training courses available.	2	5	10	G
Review Risk Assessment by including on Agenda of Parish Council meetings at least annually. Ensure a Risk Assessment is carried out for all new assets and appropriate insurance cover implemented.	1	4	4	G
The Parish Council has Financial Regulations. Clerk to ensure that Receipts and Payments are promptly and accurately recorded. All invoices to be checked and reported to next Parish Council meeting. Clerk to balance accounts against bank statements monthly. Clerk to produce up to date reports at all meetings. Internal Audit checks internal auditor. Internal and External Audit reports to be made available to all Councillors and any recommendations acted upon promptly.	1	5	5	G
Public sessions are held before each Council meeting. Use is made of website and village noticeboards.	1	5	5	G
Effective Budget Planning Process. Annual Plan reviewed annually.	1	5	5	G
Include regulations in Standing Orders issued to all Councillors. Place item on Agenda early in the year to remind Councillors of budget process and actions required. Involve all Councillors in budgetary process not solely the Clerk	1	4	4	G
Start consideration of budgetary process at least four months prior to submission date of Precept. Checks by Clerk/RFO and Internal Auditor. Budget agreed by full Council	2	4	8	G

28	Inadequate internal controls with regard to monitoring expenditure	2	4	8	G
29	Election costs	2	3	6	G
30	Reserves too high/low	2	2	4	G
31	Failure to ensure that all employees are paid in accordance with Council regulations and are adequately monitored	2	4	8	G
32	Failure to ensure that year end accounts are correctly prepared	1	4	4	G
33	Failure to identify, value and maintain all assets of the Parish Council, and ensure that asset and investment registers are complete.	2	5	10	G
34	Adoption and implementation of appropriate Government legislation	2	5	10	G
35					

Internal Audit checks are carried out every three months to ensure effective financial management.	1	4	4	G	BPC Risk Management Assessment 2013-14
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.	1	3	3	G	
Auditor advises reserve balance must not exceed twice the Precept. Plan in place for any funds in excess of limit as long term plan.	1	2	2	G	
Parish Council employ external payroll service. A Contract of Employment and Job Description is agreed for the Clerk. Terms and conditions are agreed in the Minutes. Ensure employee regulations are available and understood by the Clerk.	1	4	4	G	
Include a timetable in Standing Orders/Financial Regulations. Internal Audit checks. Financial reports to all Parish Council meetings.	1	4	4	G	
Record and maintain a record of all assets for which the Parish Council is responsible and include in year end accounts. Arrange for annual review of valuations and arrange for professional valuation where appropriate.	1	5	5	G	
Clerk to have appropriate legislation available. Review liabilities and responsibilities periodically at Parish Council meetings.	1	5	5	G	

**Size of risk**

Descriptor	Likelihood	Impact
1	2% likely to happen	Very low
2	5% likely to happen	Low
3	10% likely to happen	Moderate
4	20% likely to happen	High
5	50% likely to happen	Very high

**Risk score**

0 - 10	Low
11 - 15	Medium
>15	High

G = Green

A = Amber

R = Red



Rating has improved

Rating has stayed the same

Rate has deteriorated

Jan-20