

## RISK ASSESSMENT FORM      KNOCKIN PARISH COUNCIL

Use this form to record details of individual risk assessments. Use it with Management of Risk guidance.

Risk Assessment Reference Number:    KPC1		Date of Assessment: March 2021		Date of Review:			
Task/Work Activity/Work Area Assessed:    Financial, Asset, Employee Management							
People Involved in Making This Assessment: <b>Parish Clerk</b>			Signature:				
<p>Risk Rating scoring system: Level of Risk = Likelihood x Consequence/Severity</p> <p>20 or 25    <b>High.</b>      Unacceptable – Stop or activity until immediate improvements can be made.</p> <p>10 to 16    <b>Medium.</b>    Tolerable - needs improvement within a reasonable timescale, e.g. 1 to 3 months depending on the situation.</p> <p>5 to 9      <b>Low.</b>          Adequate but look to improve by next review</p> <p>1 to 4      <b>Very Low.</b>    Residual risk is acceptable and no further action will be needed if control measures are maintained.</p>							
<b>Score</b>	<b>Likelihood</b>	<b>Description</b>	<b>Score</b>	<b>Impact</b>	<b>Description</b>		
5	Very likely / Almost certain	Event is expected to occur in most circumstances	5	Major	external intervention, total service disruption		
4	Likely	Event will probably occur in most circumstances	4	Serious	extensive complaints, adverse auditors, significant service disruption		
3	Fairly likely / Possible	Event could occur at some time	3	Significant	service user complaints, service disruption		
2	Unlikely	Event is not likely to occur in normal circumstances	2	Minor	isolated complaints / minor service disruption		
1	Very unlikely	Event may occur only in exceptional circumstances	1	Insignificant	no service disruption		
Activity	What Hazards Have Been Identified?	Control Measures Already in Place	Risk Level Low Medium High	Further Control Measures Needed	Action		Action Closed
					Who	When	
Asset Management	Loss of assets	Adequate and appropriate insurance cover is held and reviewed annually. Asset Register maintained and reviewed annually	(1x 5) - L		POH		

Agenda item 74e Financial Risk Assessment

	Risk to third party, as consequence of providing a service	Appropriate in Insurance in place. Regular inspection schedule of council's assets in place.	(2x 3) 6 L				
Financial Management	Loss of money through misappropriation through theft or dishonesty	No cash received or income other than precept	(1 x 5) -5 L				
	Failure to keep proper financial records	Clerk nominated RFO. Standing Orders and Financial Regulations reviewed annually (last update May 2020). Regular checks of bank statements against reconciliations undertaken by nominated councillor. Internal auditor reviews accounts and systems annually.	(1 x 5) -5 L				
	Failure to maintain an effective payments system	All payments to be supported by invoice. All detail and payment to be entered accounting spreadsheet All payments to be approved by council and recorded in the minutes. Cheques to be signed by two members Signatories to sign invoices to confirm they have checked payments against the cheques All expenditure to be subject to sound budgetary control. During period of virtual meetings when invoices cannot be physically signed invoices to be scanned and sent to councillors via email before Cheque signing	(1X5) - 5 L				

Agenda item 74e Financial Risk Assessment

	Incurring Expenditure without proper legal authority	Record in minutes under which expenditure power is being used if expenditure is unusual. Councillors and Clerk undertake regular training.	(1X5) - 5 L				
	Poor Financial Management	Maintain and review Standing Orders and Financial Regulations annually. Maintain and effective budget control/ financial reporting system monthly budget report considered at each meeting. More detailed quarterly budget report is considered by Parish Council Maintain an effective internal audit last held May 2020. Monthly reconciliation of bank account against cashbook carried out.	(1X4) - 4 L				
	Failure to Comply with Customs and Excise regulations	Ensure VAT is properly administered VAT claims and payments calculated by Clerk. Clerk attends training courses and seeks help from helpline when necessary. VAT claims are submitted promptly on an annual basis.	(1x3) 3 L				
	Failure to Comply with Inland Revenue requirements	Returns prepared by Parish Clerk using PAYE Basics HMRC package	(1X4) 4 L				
	Failure to comply with borrowing restrictions	No current borrowing	(1x1) 1 L				

Agenda item 74e Financial Risk Assessment

	Failure to set a proper Budget and monitor throughout the year	Budget agreed by Parish Council every January. Budget monitored by Parish Council quarterly throughout the year.	(1x5) 5 L				
	Failure to set a precept within sound budgeting arrangements	Agreement of precept requirement follows agreed timetable. Precept is set following agreement of receipts and payments budget Precept request countersigned by Chairman & Clerk. Review of adequacy of all balances and reserves takes place as part of the quarterly budget monitoring process.	(1x5) 5 L				
Employment of Staff	Failure to comply with Pension Regulator	Clerk not eligible for pension	(1X4) 4 L				
	Failure to Comply with employment law	Clerk issued with contracts of employment. Insurance in place. Council a member of Shropshire Association of Local Councils. Training budget sufficient to fund training requirements identified. Awareness of new legislation.	1X5) 5 L				
Decision Making	Risk of Parish Council acting outside of legal powers	Clerk fully trained (and attends regular training sessions). Clerk clarifies legal position on any new proposal. Legal advice sought when necessary.	(1X5) 5 L				

Agenda item 74e Financial Risk Assessment

	Lack of proper and timely reporting via the minutes	Council meets 6 times a year Minutes made available to press and public on website in line with transparency act. Protocol adopted for holding virtual meetings.	(1X2) 2 L				
	Proper document control	Records held in Knockin Assemble Rooms and archive minutes in Shropshire Records Office  Data is stored in accordance with GDPR legislation	(1X3) 3 L				
	Registers of interests and gifts and hospitality in place	Registers completed. Declaration of interests on every agenda and Councillors expected to declare interests at start of every meeting. Notification of need to update registers carried out annually.	(1X2) 2 L				

Risk Assessment Review O	Name	Date

I have read the above risk assessment and I am aware of the hazards stated and understand the control measures to be used.

Print Name:	Signature:	Date