

Aim	Risk	Method used to minimise risk	Person(s) responsible
1 To ensure compliance with Council's financial regulations ("Regulations"); relevant code of conduct ("Code") and standing orders ("Standing Orders")	1 Lack of knowledge of Regulations, Code and Standing Orders.	1.1 Ensure that all Councillors and Clerk have access to Regulations, Code and Standing Orders and KALC Website. Provide training where possible.	
	2 Absence of standing orders.	1.2 Ensure that Standing Orders are adopted, understood by Councillors and Clerk, and reviewed periodically.	
	3 Actions by the PC outside its powers laid down by Parliament.	1.3 As at 1.1 above.	
	4 Lack of commitment to regulations and procedures.	1.4 Make reference to appropriate Regulations in agenda items or during meetings.	
	5 Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism.	1.5 Ensure that all Councillors and Clerk are aware of Regulations re estimates and full tender procedures.	
	6 Payments made without prior approval and adequate control.	1.6 Ensure all payments are approved in Council meetings and recorded in Minutes. Keep cash payments to a minimum, and avoid if possible.	
	7 Lack of control of signatories to cheques.	1.7 Keep regular check of authorised signatories. Make annual request to Bank in March for a list of authorised signatories and then make any amendments as necessary.	
	8 VAT not properly accounted for, resulting in overclaims and large demands from HMRC.	1.8 Ensure appropriate publications held and that clerk has good knowledge of Regulations. Ensure Clerk has appropriate and up to date VAT official publications and access to HMRC website.	
	9 PAYE not dealt with correctly.	1.9 Ensure appropriate publications held and that clerk has good knowledge of Regulations. Ensure Clerk has appropriate and up to date PAYE official publications, access to HMRC website, or external assistance.	
	10. Council meetings taking place other than in accordance with legal requirements and Standing Orders.	1.10 Ensure that Standing Orders are adopted, understood by Councillors and Clerk, and reviewed periodically. Ensure councillors and the Clerk are aware of legal requirements. Undertake training where necessary.	

	11. The business and activities of the council being carried out other than in accordance with legal requirements and Standing Orders.	1.11 Ensure that Standing Orders are adopted, understood by Councillors and Clerk, and reviewed periodically. Ensure councillors and the Clerk are aware of legal requirements. Undertake training where necessary.	
2a To ensure wishes of parishioners and/or benefit to Parish are taken into account in the objectives, actions and decisions of the PC	<p>1 Lack of effective lines of communication with parishioners.</p> <p>2 Lack of preparation on subjects requiring Parish Council involvement or attention.</p>	<p>2a.1 Publicise role of Parish Council. Ensure an effective and up to date parish council website with all relevant information accessible on it. Create or facilitate Parish newsletter if demand exists. Effective use of notice boards and flyers. Use key issues to raise profile of PC and to test parishioners' views. Add social event to occasional meeting. Encourage direct dialogue between Councillors and Parishioners. Maintain an informative and engaging website and utilise social media accounts and groups appropriately to disseminate information and enable feedback. Consider use of Zoom or other means of holding meetings online/remotely to encourage and facilitate greater public and councillor attendance, where this is allowed.</p> <p>2a.2 Ensure that all Councillors are aware of need for careful research and are guided as to where to obtain relevant information on issues under discussions.</p>	

2b To identify and regularly review the Council's objectives, aims and priorities.	<p>1 Lack of knowledge of how to set objectives, aims and 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>2b.1 All Councillors to be made aware of need for objectives, priorities and aims, and identification of risk. Attend training sessions if practicable.</p> <p>2b.2 Review particular items, and results against those items, on a regular basis.</p> <p>2b.3 As at 2b.1 above. Ensure that completion of the risk assessment is given the priority required by the Audit Commission.</p> <p>2b.3 As at 2b.2 above. Take appropriate action.</p>	
3 To have effective lines of communication with both LGOs, GOs and NGOs to achieve the objectives of the Parish Council and requirements of its parishioners.	<p>1 Lack of effective lines of communication with other organisations.</p> <p>2 Lack of knowledge of range of LGOs, GOs and NGOs.</p> <p>3 Lack of confidence by Parish Councillors.</p>	<p>3.1 Note communication lines which are essential or beneficial and make information available to all Councillors. Establish contacts by name and where practicable or desirable face-to-face.</p> <p>3.2 Note or identify LGOs, GOs and NGOs which are essential or beneficial and make information available to all Councillors.</p> <p>3.3 As at 3.1 above. Experienced Councillors to assist newcomers to establish essential contacts. Provide training or access to training for Councillors.</p>	

<p>4 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 responsibilities, and possible culpability of Councillors.</p> <p>2 Lack of education of Councillors regarding responsibilities and culpability.</p> <p>3 Inadequate insurance cover taken out – property, personal liability, employers’ liability.</p>	<p>4.1 Ensure that all Councillors have access to Regulations, Code, Standing Orders and KALC Website. Provide training where possible.</p> <p>4.2 Ensure that all Councillors have access to latest version of Regulations, Code, Standing Orders and KALC Website. Provide training where possible.</p> <p>4.3 Review insurance periodically and at least annually. Consider insurance as part of risk assessment. Delegate responsibility for keeping up to date with insurance requirements to Clerk.</p>	
<p>5 To keep appropriate books of accounts accurately and up to date throughout the financial year, and in accordance with Audit Commission requirements.</p>	<p>1 Lack of knowledge of accounting requirements.</p> <p>2 Lack of commitment to accounting requirements.</p> <p>3 Bank charges unnecessarily incurred.</p> <p>4 Inaccuracies in recording amounts, totals in books of account, and bank reconciliations.</p> <p>5 Inaccuracies and interest losses caused by account transfers.</p> <p>6 The most beneficial interest terms not being employed.</p> <p>7 Inadequate control of cash receipts and payments.</p> <p>8 Books of accounts not kept up to date/invoices not posted promptly.</p>	<p>5.1 Appoint Clerk as the RFO to take overall responsibility for financial management. Ensure that all Councillors have access to Regulations, Code, Standing Orders and KALC Website. Provide training where possible. Ensure that Standing Orders are adopted, understood by Councillors, and reviewed periodically.</p> <p>5.2 As at 5.1 above. RFO to have available financial information at all meetings. Internal audit reports to be made available to all Councillors and any recommendations to be acted upon promptly.</p> <p>5.3 RFO to carry out regular inspection of books of account. Internal audit to be undertaken during the current financial year. Compare charges of Council’s bank with other banks.</p> <p>5.4 RFO to ensure that books of accounts are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required, and comment on existing internal controls.</p> <p>5.5 Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account.</p> <p>5.6 Ensure appropriate interest rates and banking terms are obtained for all accounts and review against alternatives, but bearing in mind the risks in changing accounts.</p> <p>5.7 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.</p> <p>5.8 Regular checks by RFO and internal auditor. Financial reports at all PC meetings.</p>	

	<p>9 Payments missed or delayed due to inadequate filing of invoices.</p> <p>10 Internal controls not in place or not operated.</p> <p>11 Clerk taken ill or leaves without replacement.</p>	<p>5.9 As at 5.8 above.</p> <p>5.10 As at 5.8 above.</p> <p>5.11 Ensure at least one Councillor is familiar with all aspects of financial matters. Ensure compliance with Regulations.</p>	
6 To ensure that payments by or under direction of the PC and the use of assets represent value for money, are adequately managed, and comply generally with the objectives of the Parish Council.	<p>1 Lack of knowledge of wishes of residents.</p> <p>2 Use of funds not giving value for money.</p> <p>3 Use of funds not in accordance with the objectives of the Parish Council.</p> <p>4 Charges for use of facilities inadequate.</p> <p>5 Fund raising not properly controlled or not in accordance with Regulations.</p>	<p>6.1 As at 2a.1 above. Inform residents regarding all major financial issues.</p> <p>6.2 Effective budget planning processes. Ensure compliance with Regulations.</p> <p>6.3 As at 6.2 above. RFO to ensure effective financial management. Internal audit checks to cover any consultation process.</p> <p>6.4 Effective financial management by RFO. Internal audit checks.</p> <p>6.5 All Councillors to be aware of need to check Regulations before commencing fundraising activities. Effective financial management by RFO.</p>	
7 To ensure that the setting of the annual precept results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.	<p>1 Lack of knowledge of budgetary process and Regulations.</p> <p>2 Lack of commitment to budgetary process.</p> <p>3 Inadequate consideration of requirements for annual precept.</p> <p>4 Calculations not in accordance with Council regulations.</p> <p>5 Inadequate internal controls with regard to monitoring expenditure.</p> <p>6 Reserves too low.</p>	<p>7.1 Ensure councillors and Clerk know requirements of Regulations and Standing Orders. Place item on agenda at appropriate time of year to remind councillors of budget process and actions required. Ensure compliance with Regulations.</p> <p>7.2 As at 7.1 above. Involve all Councillors in budgetary process, not solely the RFO.</p> <p>7.3 Place item on agenda early in year to remind Councillors of budget process and actions required. Ensure compliance with Regulations. Start consideration of calculations a sufficient period prior to submission date. Create draft annual plan to assist in process. Consider possible future expenditure and income.</p> <p>7.4 Checks by RFO and Internal Auditor.</p> <p>7.5 Checks by RFO and Internal Auditor. Ensure compliance with Regulations. Ensure periodic financial and budget progress reports to PC meetings.</p> <p>7.6 As at 7.5 above.</p>	
8 To explore other possible sources of income, and to	<p>1 Lack of knowledge of possible sources of income, eg grants.</p>	<p>8.1 Identify a Councillor as Grants Officer to gain experience of all grants available and application procedures, tasked to report back to the council.</p>	

ensure that expected income is fully received.	<p>2 Lack of commitment to pursue possible sources of income.</p> <p>3 Receipts not banked or not banked properly.</p> <p>4 Debts not pursued promptly.</p> <p>5 VAT claims not made promptly or made incorrectly.</p>	<p>8.2 As at 8.1 above.</p> <p>8.3 Regular checks by RFO. Internal audit checks.</p> <p>8.4 Regular checks by RFO. Internal audit checks.</p> <p>8.5 Ensure Clerk has appropriate and up to date VAT official publications and access to HMRC website. Regular checks by RFO. Internal audit checks.</p>	
9 To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with Regulations, and adequately monitored.	<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>9.1 Ensure employee regulations are available and understood by Clerk. Checks by RFO. Internal audit checks. Outsource where more efficient.</p> <p>9.2 As at 1.9 and 9.1 above.</p> <p>9.3 Internal audit checks. Checks by RFO. Appoint Councillor to monitor contract work carried out. Ensure compliance with Regulations.</p>	
10 To ensure that year end accounts are prepared on the correct accounting basis, on time, supported by an adequate audit trail, and correctly advertised or publicised.	<p>1 Lack of knowledge of Regulations and procedures in them.</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>4 Inadequate audit trail records to final accounts.</p>	<p>10.1 Ensure councillors and Clerk know provisions of Regulations and Standing Orders. Attend training seminars where necessary.</p> <p>10.2 Include a timetable in Standing Orders. RFO to monitor progress against timetable and report to PC meetings.</p> <p>10.3 Checks by RFO. Internal audit checks.</p> <p>10.4 As at 10.3 above.</p>	
11 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.	<p>1 Lack of knowledge of assets of Parish Council.</p> <p>2 Assets lost or misappropriated.</p> <p>3 Inadequate or inaccurate valuation of the Council's assets.</p> <p>4 Asset register not established or inadequately maintained.</p>	<p>11.1 Ascertain and record all assets for which Parish Council is responsible. Create permanent asset register.</p> <p>11.2 Establish who is responsible for security and maintenance of each asset. Make Clerk responsible for regular monitoring of location and use of assets. Ensure all assets are adequately insured.</p> <p>11.3 Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks.</p> <p>11.4 Create asset register in accordance with Audit Commission requirements. Make Clerk responsible for keeping asset register accurate and up to date.</p>	
12 To comply with applicable legislation, including regarding disability, racial	<p>1 Lack of knowledge of applicable legislation.</p>	<p>12.1 Clerk to have all appropriate legislation available. Review liabilities and responsibilities at PC meetings when appropriate, including steps taken to comply. Councillors to have access to KALC website. Consider use of</p>	

equality, discrimination, safeguarding children, General Data Protection Regulations, etc.	<p>2 Lack of public awareness of applicable legislation.</p> <p>3 Failure to comply with applicable legislation.</p>	<p>external contractors where specialist knowledge is deemed appropriate – eg accessibility, GDPR etc</p> <p>12.2 Include, as appropriate, in any public consultations.</p> <p>12.3 As at 12.1 above.</p>	
13 To carry out or procure adequate safety checks on all buildings, properties, land, equipment and assets for which the Council is responsible.	<p>1 Lack of information on properties, buildings, land, equipment and assets.</p> <p>2 Lack of knowledge of safety requirements.</p> <p>3 Lack of commitment to carrying out safety checks and carrying out any required work or actions.</p>	<p>13.1 Ensure that Clerk has access to all current legislation and advice. Include in asset register all properties for which PC is responsible.</p> <p>13.2 Ensure Clerk has access to all current legislation and advice.</p> <p>13.3 As at 13.2 above. Delegate responsibility for effecting and following through safety checks and risk assessments for particular properties, land, equipment and assets to individual Councillors. Diarise when reviews and safety checks should be undertaken. Diarise and procure an annual inspection of the playground by RoSPA or similar accredited organisation and respond to recommendations in the subsequent report.</p>	
14. To carry out or procure adequate safety checks on all activities for which the Council is responsible, or undertakes.	<p>1 Lack of information regarding activities.</p> <p>2 Lack of knowledge of safety requirements.</p> <p>3 Lack of commitment to carrying out safety checks, and carrying out any required work or actions.</p> <p>4. Failure to identify risks associated with an activity for which the council is responsible including any public event.</p>	<p>14.1 Ensure nature and extent of activities is analysed and understood, and documented if necessary.</p> <p>14.2 Ensure Clerk has access to all current legislation and advice.</p> <p>14.3 As at 14.2 above. Delegate responsibility for effecting and following through safety checks for particular activities to individual Councillors. Diarise when reviews and safety checks should be undertaken.</p> <p>14.4 Ensure appropriate risk assessments are undertaken and followed through. Keep existing risk assessments under review.</p>	
15. To ensure that the Council has a competent Clerk to deal with the business and activities of the Council as required by good practice, Regulations, Code, Standing Orders and legislation, and including fulfilment of the above Aims.	<p>1. Failure to appoint a competent Clerk.</p> <p>2. Failure to recruit a replacement Clerk in time to provide overlap with outgoing Clerk.</p> <p>3. Failure to review and monitor performance of Clerk.</p> <p>4. Failure to ensure Clerk is competent and remains up to date with good practice, regulations, Code, Standing Orders and legislation.</p>	<p>15.1 Advertise vacancy as widely as reasonable. Plan ahead for replacement clerk. Have a comprehensive job description. Conduct robust recruitment process. Seek references before appointment.</p> <p>15.2 Ensure Clerk has written contract of employment. Ensure contract provides for sufficient notice period (based on experience) to recruit replacement clerk in time. Advertise vacancy as widely as reasonable. Ensure the Council has a documented procedure for ensuring a comprehensive handover from an outgoing clerk to an incoming clerk.</p> <p>15.3 Comply with requirements of Standing Orders and Financial Regulations and other policies of the Council regarding reviewing and monitoring. Conduct annual review and follow up results.</p> <p>15.4 As at 15.3 above. Provide or procure training. Encourage Clerk to self-learn. Encourage Clerk to join association of local authority clerks. Encourage Clerk to obtain clerk's qualification. Encourage Clerk to liaise with other local parish council clerks.</p>	

