

FINANCIAL & OPERATIONAL RISK ASSESSMENT 2021

The greatest risk facing a local authority is not being able to deliver the activity or services expected of the Council.

Risk assessment is a systematic general examination of working conditions, workplace activities and environmental factors that will enable the employer to identify any and all potential risks inherent in the place or practices. Based on a recorded assessment the employer should then take all practical and necessary steps to reduce or eliminate the risks, insofar as is practically possible, making sure that all employees are made aware of the results of the risk assessment.

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

1. Identify the areas to be reviewed.
2. Identify what the risk may be.
3. Evaluate the management and control of the risk and record all findings.
4. Review assess and revise if required.

1. FINANCIAL AND MANAGEMENT

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
1.1 Business Continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	M	Business continuity plan	To produce plan and review plan when necessary
1.2 Precept	Adequacy of precept	L	To determine the level of reserves to be held and the precept amount required, the Parish Council regularly receives budget update information and the precept is an agenda item at full Council. At the Precept meeting Council receives a budget update report, including actual position, variances and projections. With this information the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from the Borough.	Existing procedure adequate
	Requirements not submitted to Borough Council; amount not received from Borough Council	L	Deadline input to Clerk's/Officer's Calendar. The required figure is submitted by the Clerk in writing to the Borough Council. Bank Statements monitored for income received. The Clerk informs Council when the monies are received (April & September).	Existing procedures adequate

1.3 Financial Records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which set out the requirements. Finances managed using Rialtas Suite finance package.	Existing procedure adequate. Review the Financial Regulations annually.
1.4 Bank and Banking	Inadequate checks Bank payment mistakes Loss / Charges Fraudulent access to/use of bank card reader	L L L L	The Council has Financial Regulations which set out the requirements for banking, and reconciliation of accounts. Occasional errors in processing payments will be discovered when the bank accounts are reconciled once a month. These are dealt with immediately by either informing the bank and awaiting their correction or contacting the supplier and making the necessary corrections. Card readers and PIN numbers kept in the locked safe. When a member of staff leaves, the bank is informed and the card reader destroyed.	Existing procedure adequate. Review the Financial Regulations when necessary and bank signatory list when necessary, especially after the Annual Council Meeting and an election. Monitor the bank statements monthly.
1.5 Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations which set out the requirements. Cash received is banked each month and kept in the locked and fire proof safe. Risk Assessment is carried out for the banking of money by staff. Petty cash and other income is balanced monthly, checked by Clerk. Petty Cash is approved by Council during the approval of payments process.	Existing procedure adequate. Review the Financial Regulations annually. Implement Risk Assessment

1.6 Reporting and Auditing	Information communication	L	A budget monitoring statement is produced regularly before each Full Council and Finance meeting with the agenda, discussed and approved at the meeting.	Existing communication procedures adequate.
	Compliance	L	On a monthly basis this statement includes, bank reconciliation, budget update, and a breakdown of receipts and payments balanced against the bank (cashbook). Council should regularly audit internally to comply with the Fidelity Guarantee.	Council annually appoints an Internal Auditor for Fidelity Compliance. An internal audit shall take place one per year (over two visits).
1.7 Direct costs; overhead expenses; Debts	Goods not supplied but billed	L	The Council has Financial Regulations which set out the requirements. At each Council meeting the list of invoices awaiting approval is distributed to Councillors, and considered. Council approves the list of requests for payment. Within the following three days, two Councillors check a random sample of up to four invoices against the referenced payments list as submitted to the Full Council and initials the Payment Checklist sheet.	Existing procedure adequate. Review the Financial Regulations annually.
	Incorrect invoicing	L		
	Cheque payable incorrect	L		
	Loss of stock	L	The Council has minimal stocks (mainly PPE); these are checked and monitored by the Clerk.	
	Unpaid invoices	L	Unpaid invoices to the Council for services are pursued and where possible, payment is obtained in advance. Financial Regulations stipulate when a bad debt can be written off.	

<p>1.8 Grants and support - payable</p>	<p>Power to pay Authorisation of Council to pay</p>	<p>L</p>	<p>Grants are first considered at a Grants working party, three times per annum and put to Full Council for approval (as per the Committee's Terms of Reference).</p> <p>All such expenditure goes through the required Council process of approval and minuted .</p>	<p>Existing procedure adequate.</p> <p>The Parish Council currently has the General Power of competence.</p>
<p>1.9 Grants - receivable</p>	<p>Receipts of Grant</p>	<p>L</p>	<p>Should the Parish Council receive a grants the appropriate terms & conditions shall be applied and complied with. One off grants would come with terms and conditions to be satisfied.</p>	<p>Existing procedure adequate. Terms of the grant funder shall be put in place.</p>
<p>1.10 Charges – rentals receivable</p>	<p>Receipt of rental</p>	<p>L</p> <p>L</p>	<p>Leisure Garden Plots: The Clerk issues a lease for usage along with an invoice depending on when the plot is taken on, in line with Leisure Garden Tenancy Rules & Regulations. Both parties sign the lease and the Parish Council copy is held in Parish Council records. The cheque/cash is received and banked. Receipt given.</p> <p>Regular inspections take place and if a plot is found to be uncultivated, a letter is sent to the plot holder. If no action is taken by the next inspection, a Notice to Quit is sent</p>	<p>Existing procedure adequate.</p> <p>Leisure Garden Tenancy Rules & Regulations reviewed as necessary</p> <p>Review lease and fees annually.</p> <p>Ensure payment is received by regular checks against the Leisure Garden list of payments.</p>

<p>1.10 Charges – rentals receivable continued</p>			<p>and the plot is taken back and offered to a resident on the waiting list.</p> <p>Room hire: Invoices are issued monthly using the finance package, for bookings made in that month.</p>	<p>The finance system sales ledger is monitored each month before financial month end takes place. Any outstanding balances are followed up.</p>
<p>1.11 Best value Accountability</p>	<p>Work awarded incorrectly</p> <p>Overspend on services</p>	<p>L</p> <p>M</p>	<p>All legal requirements met and contained in the Council's Standing Orders and Financial Regulations</p>	<p>Existing procedure adequate. Process and criteria for awarding contracts laid down in the Financial Regulations 2019 Financial Regulations reviewed annually.</p>
<p>1.12 Salaries and associated costs</p>	<p>Salary paid incorrectly.</p> <p>Wrong hours paid</p> <p>Wrong rate paid</p> <p>False employee</p>	<p>L</p> <p>L</p> <p>L</p> <p>L</p>	<p>The Parish Council authorises the appointment of all employees through a Personnel Sub Committee. Salary rates are assessed annually by the same Sub Committee and applied on 1 April each year. Salaries are processed each month using Brightpay software (Inland Revenue approved).</p> <p>Checks of the details entered in the payroll system are made by a second officer/ appropriate member of staff before payment is made.</p>	<p>Existing appointment and payment system is adequate.</p>

	<p>Wrong deductions of NI or Tax</p> <p>Unpaid Tax & NI contributions to the Inland Revenue</p>	L	<p>Salary, pension and PAYE payments are submitted to Full Council each month for approval. Payments are made by BACs by a third authorised member of staff.</p> <p>Brightpay software (Inland Revenue approved) is updated annually. All Tax, NI and pension payments are submitted to the Inland Revenue and to Wiltshire Pension Fund on a monthly basis.</p> <p>All contracts of employment contain a section on overpayment and the process for recouping overpayments should this occur.</p>	<p>Internal system implemented for ensuring that all payments due are made on time using the Outlook calendar system</p>
1.13 Employees	<p>Loss of key personnel</p> <p>Key personnel on long term sickness leave</p> <p>Prolonged sickness absence</p> <p>Fraud by staff Actions undertaken by staff</p> <p>Legislation not followed</p>	<p>M</p> <p>M/H</p> <p>M/H</p> <p>L</p> <p>L</p>	<p>Reference to the Continuity Plan should be made in case of loss of key personnel.</p> <p>Insurance cover is in place to provide cover if key personnel are on long term sick.</p> <p>Monitor staff absences. Implement return to work processes.</p> <p>The requirements of the Fidelity Guarantee insurance to be adhered to with regards to Fraud.</p> <p>The Clerk should be provided with relevant training, reference books, access to</p>	<p>Ensure continuity plan is in place.</p> <p>Purchase revised books. Membership of the SLCC/Wiltshire</p>

<p>1.13 Employees continued</p>	<p>Health & Safety</p> <p>Exposure to diseases (outside workers)</p>	<p>H</p>	<p>assistance and legal advice required to undertake the role.</p> <p>Staff should be provided with adequate direction and safety equipment needed to undertake the roles, ie. protective clothing and training. Sufficient budget allowed when setting budgets annually.</p> <p>Inoculation programme in place.</p>	<p>Association Local Council (WALC)/NALC.</p> <p>Monitor working conditions, safety requirements and insurance regularly.</p>
<p>1.14 Councillor allowances</p>	<p>Councillors over-paid/Income tax deduction</p>	<p>L</p>	<p>Councillors to annually resolve whether to accept or reject the Local Authority's Independent Remuneration Scheme. If rejected, an alternative scheme will be put in its place and agreed by Full Council. This scheme will be advertised to the parishioners through the usual channels.</p> <p>A yearly allowance is paid to the Councillors in monthly payments. Payments are processed using Brightpay software. Process for recouping overpayments in place.</p>	<p>Existing payment procedure adequate.</p>
<p>1.15 Election costs</p>	<p>Risk of an election cost</p>	<p>L/M</p>	<p>Risk is higher in an election year. When an election is due the Clerk will obtain an estimate of costs from the Borough Council for a full election and an uncontested election. There are no measures which can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled.</p>	<p>Ensure earmarked funds are identified each year in order to provide funds in an election year</p>

1.16 VAT	Re-claiming/charging	L	<p>The Council has Financial Regulations which set out the requirements</p> <p>VAT submission is made quarterly, taking information provided by Rialtas Suite financial software.</p> <p>New procedure will be introduced post October 2019 when VAT submissions will be made digital.</p>	Existing procedure adequate
1.17 Annual Returns	<p>Submit within time limits</p> <p>Accurately complete the Annual Governance & Accountability Return</p> <p>Consider the relevant sections in the correct order</p> <p>Submit the return within the required time frame</p>	<p>L</p> <p>L</p> <p>L</p> <p>L</p>	<p>Employer's Annual Return is completed and submitted online and to the Inland Revenue within the prescribed time frame by the Clerk.</p> <p>Annual Governance and Accountability Return (AGAR) is completed by the RFO, submitted to the internal auditor for completion and signing, taken to a Full Council meeting and considered in the order stipulated by the external auditor and the Accounts & Audit Regulations 2015.</p> <p>The Return is signed by the Council and RFO and sent electronically to the External Auditor within timeframe stipulated.</p> <p>All of the publication requirements are displayed in such manner and time frame as stipulated under the Accounts & Audit Regulations 2015.</p>	<p>Existing procedures adequate</p> <p>Comprehensive guidance notes and deadlines provided with the AGAR paperwork.</p>

1.18 Legal Powers	Illegal activity or payments	L	All activity and payments within the powers and duties of the Parish Council to be resolved and minuted at Full Parish Council meetings.	Existing procedure adequate.
1.19 Minutes/Agendas/ Notices Statutory Documents	Accuracy and legality	L	Minutes and agenda are produced in the prescribed method by the Clerk and adhere to the legal requirements. Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed according to the legal requirements.	Existing procedure adequate. Guidance/training to Chair of the meeting should be given (if required). Members to adhere to Code of Conduct and Standing Orders/Meeting Etiquette.
	Meeting conduct	L	Business conducted at Council meetings should be managed by the Chair.	
1.20 Members Interests	Conflict of interest	L	Although not a requirement, the declaring of interests by members at a meeting should be an obvious process to remind Councillors of their duty and should remain on the agenda.	Existing procedure adequate. Members take responsibility to update their Register.
	Register of Members interests	M	Register of Members Interest forms should be reviewed regularly by Councillors. New Councillors should submit the forms to the Clerk within 28 days ¹ of taking up their office. The Clerk will send the form to the Borough Council's Monitoring Officer and upload the forms onto their website. A reciprocal website link is set up between Haydon Wick and the Borough Council.	

¹ Localism Act 2011 s30 (1)

1.21 Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal) of all insurance arrangements in place. Employers and Employee liability insurance is a necessity and must be paid for.	Existing procedure adequate.
	Cost	L		Review insurance provision annually.
	Compliance	L		Review of compliance.
	Fidelity Guarantee Cyber crime	M M		Council to consider taking out cyber crime cover
1.22 Data protection	Policy Provision	M	The Council is registered with the ICO and has nominated two Data Protection Officers to ensure that all requirements of GDPR/ Data Protection 2018 Act are adhered to.	Ensure Parish Council maintenance registration with the ICO. The Council has Privacy Policy. A CCTV Policy is also in place which will be reviewed annually.
1.23 Freedom of Information Act	Policy Provision	M	The Council has a model publication scheme for Local Councils in place.	Ensure the Parish Council has an up to date model scheme in place, this is monitored regularly and report any impacts of requests made under the Freedom of Information Act.

2. PHYSICAL EQUIPMENT OR AREAS				
Subject	Risk(s) Identified	H/M/L	Management/control of risk	Review/Assess/Revise
2.1 Assets	Loss or Damage Risk/damage to third party(ies)/property	H	An annual review of assets is undertaken for insurance provision, storage and maintenance provisions.	Asset register and inventory documents produced and maintained. Equipment kept in secure container overnight.
		H	Asset register for items over £500 is updated whenever new items are purchased or disposed of.	
		H	Separate inventory for items under £500 in value listed and checked/updated by staff annually or when items are purchased or disposed of.	
2.2 Maintenance	Poor performance of assets or amenities	L	All assets owned by the Parish Council are regularly reviewed and maintained.	Existing procedure adequate.
	Loss of income or performance	L	All repairs and relevant expenditure for these repairs are actioned/authorised in accordance with the correct procedures of the Parish Council. Realistic budgets identified for maintenance. All assets are insured and level of cover reviewed annually.	Ensure regular inspections and maintenance are carried out.
	Risk to third parties	L		
		L	All public amenity land is inspected regularly by parish employees.	Budgets identified to ensure that regular maintenance works can be carried out
2.3 Notice boards	Risk/damage/injury to third parties.	L	Parish Council has 12 notice boards sited at various locations within the parish.	Existing procedure adequate.
	Road side safety	L	The location has approval by relevant parties, insurance cover, inspected regularly - any repairs/maintenance requirements brought to the attention of the Parish Council.	

2.4 Street furniture	Risk/damage/injury to third parties	L	<p>The Parish Council is responsible for a number of seats, litter bins, dog bins, Tommy figure and benches and seven bus shelters around the parish. These are all covered by insurance.</p> <p>Any defects are reported by Parks & Open Spaces Team. All reports of damage or faults are reported to Council and/or dealt with appropriately.</p>	<p>Existing procedure adequate.</p> <p>Public Liability in place</p>
2.5 Meeting location	Adequate Health & Safety	L M	<p>The Parish Council Meetings are held at the council offices, usually on the ground floor.</p> <p>The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health and Safety and comfort aspects.</p>	<p>Existing locations adequate.</p> <p>There is no access to the upper floor for the staff, councillor or the public with mobility issues. Consider the possibility of having a lift installed.</p>
2.6 Council records – paper	Loss through: theft fire damage	L M L	<p>The Parish Council records are stored at the Parish Council offices. Records include historical correspondence, minute books and copies, leases for land or property, records such as personnel, insurance, salaries etc. Recent materials are in a (metal filing cabinet (not fire proof)) and older more historical records in the Parish Council archives.</p> <p>Wiltshire archives in Chippenham holds back copies of all Parish Council magazines.</p> <p>The Council follows statutory regulations for the keeping of documents through its adopted Retention Policy.</p>	<p>Damage (apart from fire) and theft is a low risk and so provision adequate.</p> <p>Deeds/leases are copied and deposited off-site.</p> <p>Consider purchasing metal filing cabinets for storing of old documents</p>

2.7 Council records - electronic	Loss through: theft, fire, damage corruption of computer	L	<p>The Parish Council's electronic records are stored on the Parish Council's servers and backed up by the Council's IT Support providers.</p> <p>Some documents may be stored locally on the Clerk's and office staffs' laptops. This is discouraged.</p> <p>Back-ups of the files are taken at regular intervals, both on and off site.</p>	A back-up of electronic files are carried out on a regular basis.
3. BUILDINGS, LEISURE GARDENS & OPEN SPACES				
3.1 Security	Unauthorised entry/theft	L	<p>Alarm system in operation.</p> <p>If member of staff is working alone, the front door is locked and last member of staff leaving sets the alarm.</p> <p>Ground floor office has a digital entry system. Upper Office has a chubb lock.</p>	Systems adequate. Regularly checked and serviced
3.2 Health & Safety	Fire, flood incident	L	Fire procedures in place. Smoke alarms and fire extinguishers checked annually. Annual PAT testing of electrical equipment.	Adequate checks in place
3.3 On-site containers (for Parks & Open Spaces Team)	Unauthorised entry/theft Fire, flood incident	H H	Due to the temporary nature of the POST office and general storage facilities it is not possible to eliminate the possibility of accidents occurring or of unauthorised access.	

<p>3.3 On-site containers (for Parks & Open Spaces Team) continued</p>			<p>All equipment of a valuable nature is kept in the metal container.</p> <p>Nothing of a sensitive nature is kept on site.</p>	
<p>3.4 Leisure Gardens</p>	<p>Poor maintenance</p> <p>Vandalism</p>	<p>H</p> <p>L</p>	<p>Monthly checks take place to ensure Leisure Gardens are maintained to the required standard. Letters of non-cultivation are sent to those deemed to be sub-standard. Notice to quit letters are sent if, on the second visit, no improvement is obvious.</p> <p>Padlocks on gates with combination lock.</p> <p>CCTV cameras to be installed at some sites.</p>	<p>Adequate process in place</p> <p>Combination changed annually Adequate – as long as plot holders and staff do lock gates when last person leaves</p> <p>2 members of staff and 1 Councillor have received CCTV training to ensure compliance with regulations</p>
<p>3.5 Play Parks</p>	<p>Maintenance</p> <p>Vandalism</p> <p>Injury to users</p>		<p>Regular checks and repair and maintenance programme in place.</p> <p>Annual RoSPA inspection/report.</p> <p>Regular checks and additional CCTV to be considered and installed in some areas.</p> <p>Regular checks and maintenance programme in place Annual RoSPA inspection.</p>	<p>Adequate</p> <p>Adequate</p> <p>Adequate</p> <p>Adequate</p>

4. VEHICLES & LARGE MACHINERY				
4.1 Vehicles	Out of action (repairs/accident)	H	Regular servicing programme in place for all vehicles. In case of delay due to repairs, re-prioritise and make remaining vehicles available to provide cover	Adequate
	Delay to service (i.e. emptying dog bins)	M	Alert residents via social media.	
	Budgets overrun	L	Ensure annual budget is reviewed in line with previous year spend and allow for contingency. Request to use Reserves if budget does overrun	
4.2 Mowers	Out of action (repairs)	H	These are leased machines so the contract provides for call out for repairs.	Adequate (we have the maximum cover available)
	Budgets overrun	L	Ensure annual budget is reviewed in line with previous year spend and allow for contingency. Request to use Reserves if budget does overrun	Adequate
	Accident claims	H	Larger claims (over £250) covered by insurance	

5. LIABILITY				All adequate – policies and procedures in place to ensure compliance
5.1 Third Party	Risk to third parties, property and personal injury	L	Public Liability Insurance in place Health & Safety, First Aid Training available to staff Manual Handling training	
	Trees	L	Tree Survey being carried out Autumn 2019	
	Contractors	M	Contractors supply copies of risk assessments and public liability insurance	
5.2 Employer	Compliance with employment law	L	Advice from membership of professional bodies such as Society of Local Council Clerks (SLCC); National Association of Local Councils (NALC); Wiltshire branches: WALC & Swindon Area Committee	
	Staff Safety	L	Risk Assessment – Lone working Fire Safety, Manual handling, specific training needs to the job identified during assessments and appraisals and undertaken. Innoculations provided by local GP as/when required Cleaner undertaken Cleaning course	Innoculation programme in place

5.3 Insurance	Inadequate cover	L	An insurance review is undertaken every year in consultation with Broker.	Tender for insurance cover to be sought every 3 years (due Feb 2020)
5.4 Legal	Ensuring activities are within legal powers	L	Clerk and officers to receive ongoing training. Legal advice can be sought from membership of professional bodies as above and from Insurers. New Councillors provided with training sessions. Chairs of committees receive training.	
	Proper and timely reporting via minutes	L	Full Council and Committees meet monthly – are summoned to meetings in the legal manner and minutes approved at next meetings. Agendas and Minutes are published on the website and displayed throughout the Parish via notice boards	
	Documents	L	Retention Policy for documents is in place.	

VERSION CONTROL

<ol style="list-style-type: none"> 1. Adopted by Full Council on 15th October 2019. Minute Reference: FC123.1 B 2. Reviewed by Policy & Finance Committee 16th June 2020 Ref 5.2 3. Adopted by Full Council on 23rd February 2021. Minute Refence: XXXX 	No changes
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KEY TO RISK LEVEL

Consequence/Severity	Likelihood				
	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost Certain
5 Catastrophic	5	10	15	20	25
4 Major	4	8	12	16	20
3 Moderate	3	6	9	12	15
2 Minor	2	4	6	8	10
1 Negligible	1	2	3	4	5

	1 – 3	Low Risk (L)
	4 – 6	Moderate Risk (M)
	8 – 12	High Risk (H)
	15 - 25	Extreme Risk (E)