

Toppesfield Parish Council Risk Assessment



Introduction

This document identifies the risks that Toppesfield Parish Council could face, their likelihood of occurrence, impact, and possible means of mitigating their effect.

The following extracts from the Practitioners' Guide provide guidance to help inform the risk assessment of Toppesfield Parish Council (TPC) activities.

- The greatest risk facing a local council is not being able to deliver the activity or services expected of it. TPC manages many of those risks when it reviews its insurance and its systems. The minutes are an essential record of such reviews. Budget setting and insurance review are annual activities; the review of systems may be less frequent. It is suggested that systems should be reviewed in some detail, unless triggered by external or internal audit reports, or change in risk, at least every four years. Minutes should be checked by internal audit for any unusual activity, and evidence that risks are being identified and managed.
- Risk management is the process whereby local councils methodically address the risk associated with what they do and the services they provide. The focus of good risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences. Risk management is not just about financial management; it is about ensuring the achievement of objectives set by TPC to deliver high quality public services. The failure to manage risks effectively can be expensive in terms of litigation and reputation, the ability to achieve desired targets, and, eventually, on the local community's Council Tax bills.
- Members are ultimately responsible for risk management because risks threaten the achievement of policy objectives. As a minimum, at least once each year members should:
 - take steps to identify and update the record of key risks facing TPC;
 - evaluate the potential consequences for TPC if an event identified as a risk takes place;
 - decide upon appropriate measures to avoid, reduce, or control the risk or its consequences; and

➤ record any conclusions or decisions reached.

Financial & General Management

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Business Continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	L	Loss of Clerk or Loss of Council papers/computer	<p>A Parish Councillor could for a short period manage. Assistance could be sought from a neighbouring parish or EALC.</p> <p>Maintain duplicate copies of important papers in a separate location. Computer records need to be backed up and stored in a different location.</p> <p>A business continuity plan could be produced.</p>
Precept Determination	Fit for purpose	L	Councillors receive regular statements of how the accounts are performing against the budget. This provides simple analysis and tracking and when budgets are formed, the RFO works with the Chairman to determine the budget for the next year. The budget is discussed at the December Parish Council meeting. In January the precept calculations are received, and the budget finalised and approved. This figure is submitted by the Clerk in writing to Braintree District Council (BDC).	Existing process used has been established for some time and operates effectively
Precept Income	Income not received from Braintree District Council or reduced from January's projected amounts	L	Reserves value is determined at each budget setting meeting.	Procedure set to mitigate this risk
Financial Records	Financial irregularities	L	The Council has Financial Regulations, which set out requirements for banking, cheques, BACS and reconciliation of accounts.	Procedures to allow internet banking have been approved and will be reviewed regularly.
	Bank errors or Bank Losses	L	Two Councillors signatures required per cheque. The payment schedule is approved at a Parish Council Meeting. The Clerk then draws up BACS payments and a separate signatory to sign in to authorise these payments.	
	Internet fraud	L		

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			RFO checks bank statements monthly against all approved expenditure for all banking purposes.	
Cash	Loss through theft or dishonesty	L	Council requirements are set out in the Financial Regulations. Cash received is banked as soon as possible. No petty cash or float are held by TPC.	Existing procedures are adequate and finance regulations are reviewed annually.
Reporting and Auditing	Information Communicated	L	Financial management statements are produced and examined by councillors monthly. Quarterly expenditure and budget review to be inspected by councillors. Chairman to inspect accounts on at least 2 occasions through the year – usually end of September and end of March.	Existing communication procedures adequate.
	Auditing and Governance	M	Council undertakes internal and external independent audits.	Council appoints an independent Auditor annually
Cost Overheads	Services not supplied but invoiced	L	Council approves all invoices for payment and only approves when goods are supplied, or work completed	Procedures have proven to be satisfactory over many years. Financial regulations to be checked annually
	Payee payable incorrect	L	One councillor checks each invoice against the cheque book or internet banking payment list and associated paperwork and One councillor initials related cheque stub against cheque payments.	Electronic signatures to be accepted in exceptional circumstances – e.g., COVID / Virtual Meetings.
	Loss of stock	L	Minimum stock held	
	Unpaid invoices	L	Unpaid Council invoices for adverts, bulletins or services are pursued and if practical payment obtained in advance.	
Payment Approval	Payments authorised by full council only	L	All payment transactions made following the finance regulations process and are presented monthly at Council meeting for review in a due payments list	Procedures have proven to be satisfactory over many years. Financial regulations check annually
Grants Received	Grants are applied for against specified projects	L	Grant applications are prepared by the RFO and approved by one Councillor. The RFO checks progress and reports back when the application result is determined. Grants normally have conditions of use attached, these being checked and monitored by the Clerk.	The application process determines the procedure to be followed if any variance from the financial regulations.
Achieving Best Value	Multiple quotes for larger projects	L	The finance regulations dictate when multiple quotes are required. For significant spend	Existing procedures checked annually.

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			projects contracts awarded through sealed bid tenders. Project specification produced for significant tenders as part of the tender process.	
	Project overspend	M	Clerk/RFO (and/or Consultants) check the delivery against specification and reports shortfalls to the Council.	
Salaries and Expenses	Salaries incorrect, wrong hourly rate or hours worked	L	Salaries assessed annually by the relevant committee and recommendations made to the Council. Figures incorporated in budget calculations. Hours worked checked and approved by Chair and reported to Council monthly.	Existing procedures checked annually.
	Fraud or incorrect claims	L	Expenses must be approved. Mileage claims paid on completion of claim form and receipts provided. Mileage claim rates match those recommended by NALC.	
	Wrong deductions of NI or Tax Unpaid Tax & NI contributions to Inland Revenue		HMRC Basic Tools are used to calculate TAX & NI deductions and contributions are paid through this software.	
Employees	Loss of key staff or long term illness, resignation or misconduct. Health and Safety training requirements.	M	The clerk is the only staff member. Temporary replacements for sickness sought using EALC. Vacancy roles filled using the recruitment process.	The EALC advice and recommendation sought. Personnel subcommittee formed to interview candidates. Recommended candidates approved by full Council
	Task specific training needed.	L	Training sources and budget available	
Election Costs	Risk of unexpected election	L	Council precepts for election costs each year. BDC monitoring office advice sought on potential election costs	Reserves used to meet election costs if necessary
VAT	Re-claiming/charging	L	Requirements set out in the financial regulations	Existing procedures checked annually
Annual Return	Completed and submitted in time limits	L	Annual Return is completed and submitted to the internal auditor for checking. Approved by Council and signed before sending to the External Auditor within time limit.	Existing procedures adequate

Legal Powers	Illegal activity or decision making	L	All activity and payments to be resolved and minuted at Full Parish Council Meetings, Clerk to ensure appropriate powers are available.	Decision made form part of the minutes
Agendas, Minutes & significant reports	Accuracy and legal	L	Minutes and agenda are produced by the Clerk to defined standards 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 as a minimum. Council meetings managed by a chairman.	Standing Orders followed and adequate. Electronic signatures to be accepted in exceptional circumstances – e.g. COVID / Virtual Meetings
Members Interests	Conflict of Interests and register of Interests	L	Standing Orders require declaration of interests at each Parish Council meeting by members. Register of Members Interest in the public domain and should be reviewed regularly by Councillors.	Existing procedures are adequate. Members reminded to review their entry. Clerk will remind annually but Councillors are responsible for ensuring existing and new Councillors register their interests.
Insurance	Meets needs and competitive	L	Reviewed annually prior to policy renewal. The renewal date is 1 st June. All associated liability covered. Policy updated as new assets added. Employee cover adequate and current.	
Data Protection	Data protection rules followed	L	The council is registered for data protection with ICO and reviewed annually. GDPR regulations to be followed. Data Protection Officer appointed.	
Freedom of Information	Policy availability	L	FOI policy available in the public domain. Policy reviewed annually.	

Recreation & Play Areas

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Assets	Loss or damage Risk of damage or injury to third parties	L	Annual review of assets undertaken.	Adequate inspections undertaken

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Asset Management	Premises or other assets being closed or unavailable for use by the Council or community due to poor or dangerous condition	L	An asset register to be produced and expenditure considered/budgeted for if required such that assets can be replaced at the end of their natural life	Asset management inventory and plan
Recreation Areas	Gainsford End	L	Area regularly inspected by Councillors issued reported at full parish council meetings.	Adequate inspections undertaken. RoSPA inspection also carried out annually.
	Toppesfield	L	Area regularly inspected by Councillors issued reported at full parish council meetings.	Adequate inspections undertaken RoSPA inspection also carried out annually.
Notice Boards	Risk of Damage or injury to third parties. Location suitability	L	Noticeboards located at the entrance to Camoise Close, Toppesfield and Gainsford End Road, Nr Mallows Lane. Annual Inspections.	Adequate inspections undertaken
Street Furniture	Risk of Damage or injury to third parties. Location suitability	L	Street furniture inspected regularly by Councillors. Maintenance needs recorded through the monthly meeting where necessary. Annual Inspection.	Adequate inspections undertaken
Meeting Location	Adequate provision and Health & Safety Checked	L	Parish meetings are held in Toppesfield Village Hall. The Village Hall Management Committee are responsible for the care and maintenance of the building.	Any concerns will be duly reported to the Village Hall Management Committee. During COVID restrictions meetings may be held virtually (according to legislation). Government recommendations and regulations to be monitored.
Council Records – paper	Loss through fire or theft	L	Electronic records held on computer Archive documents to be kept at Essex Records Office.	
	Computer failure	M	Documents are stored on USB/external hard drives. Regular backups are made.	

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Miscellaneous

Topic	Risk	H/M/L	Management/control of risk	Review/Assess/Revise
Poor reputation of the Council	The work of the Council is not understood leading to negative feedback from parishioners and dissatisfaction with the way services are carried out	L	Regular use of communication channels including web site, emails and newsletters to explain the Council's activities.	Review regularly
Poor stakeholder relationships	Perceived or real breakdown in communications between tiers of local government or between the PC and other public providers	L	PC to understand the services provided by others and to discuss areas of joint interest periodically. The PC to respond to consultations to put its point of view across adequately.	Review regularly
Lack of vision	An over-emphasis on the management and operation of Council services may lead to a poor performance with regard to forward planning which may prevent partnerships being formed with other public and private supplier or even the loss of grants.	M	The PC to review its VDS stance on Planning proposals so that a vision of the future is always available. Plan reviewed regularly and community engagement for feedback. PC consider forward planning at budget setting time and periodically through the year.	Review regularly
Lack of Training or time to undertake the role of the PC	Inadequate knowledge or specialist ability may lead to poor decisions	L	Adequate training budget available. Encourage training for Councillors and staff	Maintain a training record and review annually.

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