

Hunton Parish Council 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:

- Identify the areas to be reviewed.
- Identify what the risks may be.
- Evaluate the management and control of the risk and record all findings.
- Review, assess and revise if required.

FINANCE AND MANAGEMENT				
Subject	Risk Identified	Level H / M / L	Management/Control of Risk	Review/Assess/Revise
Business continuity	Risk of the Council not being able to continue its business due to an unexpected or tragic circumstance	L	All files and records are kept at the Clerk's home. The Clerk makes regular back-ups of computer files to an external hard drive. In the event of the Clerk being indisposed the Chairman to contact the Kent Association of Local Councils for advice. Insured for business interruption.	Existing procedure adequate.
Precept	Adequacy of precept	L	The Council reviews the precept requirement annually at the January full council meeting and reviews the presented budget update information, including actual position, projected position to year end and estimated figures for the next financial year. With this information, the Council then agrees the amounts set for the specific budget headings for the following year, the total of which is the precept amount to be requested from Maidstone Borough Council.	Existing procedure adequate.
	Requirements not submitted to MBC Amount not received by MBC	L L	The precept requirement is submitted in writing by the Clerk to MBC. The Clerk informs the Council when the monies are received (April time).	
Financial records	Inadequate records	L	The Council has Financial Regulations which set out the requirements.	Existing procedure adequate. Review the Financial Regulations on an annual basis. Annual internal audit. Insurance reviewed annually.
	Financial irregularities	L	The Council has an internal auditor. Online banking authorisation and cheques require two signatories. All Members are authorised signatories; the Clerk is not.	
	Loss of records through damage, fire, theft	L/M	Insurance in place.	
Bank and banking	Inadequate checks	L	The Council has Financial Regulations that set out the requirements for banking, internet banking, cheques and reconciliation of accounts. Online banking authorisation and cheques require two signatories; the Clerk is not a signatory.	Existing procedure adequate. Review the Financial Regulations annually and the bank signatory list when necessary, especially after an election. Monitor the bank statements monthly.
	Bank mistakes/loss/charges	L	The Clerk reconciles the bank account on a monthly basis when the statement arrives, so any errors would be found on a timely basis and rectified. Members review the bank reconciliations at the full council meetings every other month.	

Cash	Loss through theft or dishonesty	L	The Council has Financial Regulations that set out the requirements. The Council's insurance policy has a Fidelity Guarantee of £250,000.	Existing procedure adequate. Review the Financial Regulations annually. Ensure Fidelity Insurance is adequate.
Reporting and auditing	Information communication Compliance	L M	The Clerk prepares a budget monitoring report on a monthly basis. The most recent budget monitoring report is provided to Members at each full council meeting for discussion and approval at the meeting. A full list of receipts, payments made and payments to be made is provided at each full council meeting. The financial records include a breakdown of receipts and payments balanced against the bank statement, which are presented and checked by a Member at each meeting. The Council is subject to an internal audit every year. The Council is subject to an external audit every year.	Existing communication procedures adequate. Existing audit procedures adequate.
Direct costs Overhead expenses Debts	Goods not supplied but billed Incorrect invoicing Online banking/cheque amount payable incorrect Loss of stock	L L L L	The Council has Financial Regulations that set out the requirements. At each Council meeting the list of invoices awaiting approval is distributed to Members and considered. The Council approves the list of requests for payment. Two Members authorise payments using online banking (or can sign cheques). They view the invoices at the meeting and can agree the amount on the invoices to the list of requests for payment. They can then check the online amounts to the list before payment. The only stock kept by the Council is stationery, purchased when necessary by the Clerk and kept at the Clerk's home.	Existing procedure adequate. Review the Financial Regulations annually.
Grants and support - payable	Power to pay Authorisation of Council to pay	L L	All such expenditure is agreed by full council and is minuted accordingly if a payment is made using the s137 power of expenditure.	Existing procedure adequate. Clerk provides a copy of s137 rules if required.
Grants - receivable	Receipts of grant	L	The Parish Council receives a Parish Services Scheme grant from MBC annually, paid in two instalments. Receipt is reported to the Council at the next meeting of the Council. Any one-off grants awarded would come with terms and conditions to be satisfied.	Existing procedures adequate.
Charges - Rentals payable	Payments of leases/rentals	L	N/A. The Parish Council does not currently have any lease or rental agreements.	
Charges - Rentals receivable	Receipt of rental Insurance implication	L	N/A. The Parish Council does not currently have any lease or rental agreements.	
Best value Accountability	Work awarded incorrectly Overspend on services	L M	As per Financial Regulations, normal Parish Council practice would be to seek, if possible, three quotations for any substantial work required to be undertaken/goods. For major contract services, formal competitive tenders would be sought. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Council.	Existing procedure adequate. Review Financial Regulations regularly.

Salaries and assoc. costs	Salary paid incorrectly Wrong hours paid Wrong rate paid False employee Wrong deductions of NI or Tax Unpaid Tax & NI contributions to the Inland Revenue	L L L L L L	The Parish Council authorises the appointment of all employees at Council meetings. The only current employee is the Clerk. Salary rates are assessed annually by the Council, based on the NJC rates, and applied from 1st April each year. Salary is paid by standing order each month for a set number of hours and reported to the Council. There are currently no tax and NI contributions. The Clerk keeps a record of hours worked. The Clerk has a contract of employment and job description.	Existing appointment and payment system are adequate.
Clerk	Loss of Clerk Fraud Actions undertaken Health & Safety	L L L L	Fidelity Guarantee insurance in place (£250,000). The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Existing procedure adequate. Include training, reference materials and membership of relevant bodies in budget when setting precept. Purchase reference books where necessary. Attend training courses where necessary. Membership of the SLCC. Membership of KALC. Monitor working conditions, safety requirements and insurance regularly.
Members' allowances	Members overpaid Income tax deduction	L L	The Chairman has a budgeted annual allowance that is used, if necessary, for sundry items. Any expenses are claimed by presenting the relevant receipt to the Council for approval. Expenses are monitored to ensure the budget is not exceeded and expenditure is reported as part of the budget monitoring process to the Council. No allowances are allocated to other Members.	Existing procedure adequate.
Election costs	Risk of an election cost	L/M	Risk is higher in an election year. There are no measures that can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled.	Existing procedure adequate.
VAT	Failure to reclaim Incorrect reclaim Charging VAT incorrectly	L L N/A	The Council has Financial Regulations which set out the requirements. The Clerk reclaims VAT by completing the VAT 126 form online on the HMRC Government Gateway using information from the Financial Book/supplier invoices. The Clerk checks the bank statements for receipt of the payment. The Council does not charge VAT.	Existing procedure adequate
Annual Governance & Accountability Return	Failure to submit within time limits	L	The AGAR and associated documents are completed by the Clerk in line with the requirements of the external auditor (currently PKF Littlejohn LLP). The AGAR is audited by the internal auditor, approved and signed by the Chairman at full council and submitted to the external auditor within the time limits set.	Existing procedures adequate.

Legal powers	Illegal activity or payments	L	All activities and payments within the powers of the Parish Council to be approved and minuted at full council meetings. Powers appropriate to activities checked with KALC Advisor if unsure.	All activities and payments are minuted.
Council records - paper	Loss through: theft fire damage	L M L	The Parish Council records are stored at the home of the Clerk. Records include historical correspondence, minute books, documents for ownership of property, records such as finance, personnel, insurance, salaries etc. Recent materials are in a metal filing cabinet (not fire-proof), older records are in the attic and historical minutes are stored at KCC Archives in Maidstone.	Damage (apart from fire) and theft is unlikely and so provision adequate.
Council records - electronic	Loss through: Theft, fire, damage Corruption of computer	L M	The Parish Council's electronic records are stored on the Clerk's computer at the Clerk's home. Back-ups of the files are taken at regular intervals on to external hard drive. There are two USB Memory Sticks used to back-up electronic files. One is kept off site.	Existing procedure adequate.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L M	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. Ensure compliance measures are in place. Fidelity guarantee of £250,000 in place.	Existing procedure adequate. Review insurance provision annually. Review of compliance.
Data protection	Policy Provision	L L	The Council is registered with the Information Commissioner's Office (ICO) Protection Agency. The ICO issues a certificate on an annual basis.	Ensure annual renewal of registration.
Freedom of Information Act	Policy Provision	L M	The Council has a model publication scheme for Local Councils in place. There have been no requests for information to date but there is provision to request a fee for any requests for information to cover consumables and the Clerk's time in processing such requests.	Monitor and report any impacts of requests made under the FOI Act. <i>Action: The model publication scheme will be reviewed at the September 2021 meeting as it has not been reviewed for some time.</i>
Meeting location	Adequacy Health & Safety	L M	The Parish Council Meetings are held at the Parish Hall. There are numerous key holders to the Parish Hall, including the Chairman and Clerk. The premises and the facilities are considered to be adequate for the Clerk, Members and the public who attend, from health & safety and comfort aspects.	Existing location adequate.

ASSETS/OPEN SPACES				
Subject	Risks Identified	Level H / M / L	Management/Control of Risk	Review/Assess/Revise
Play area equipment, notice boards, street furniture, gates and fences	Loss or Damage Risk/damage to third parties/property	L L	An asset register is kept up to date and insurance is held at the appropriate level for all items. Monthly risk assessment of play area equipment undertaken by MBC. Annual inspection of play area carried out by registered play inspection company.	Existing procedure adequate. Review insurance requirements annually.

Trees	Risk of injury to third parties	M	The Parish has a Tree Warden who regularly inspects the trees owned by the Parish Council and any remedial work required is brought to the attention of the Council. A tree inspection is carried out by an arboriculturist every 18 months and any remedial work is undertaken.	Existing procedure adequate.
-------	---------------------------------	---	--	------------------------------

LIABILITY				
Subject	Risks Identified	Level H / L / M	Management/Control of Risk	Review/Assess/Revise
Legal Powers	Illegal activity or payments Working Parties taking decisions	L L	All activity and payments made within the powers of the Parish Council (not ultra vires) and to be approved and clearly minuted. Ensure established with clear terms of reference.	Existing procedure adequate.
Minutes/Agendas/ Notices/Statutory documents	Accuracy and legality Business conduct	L 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. Agenda and minutes are displayed according to the legal requirements. Business conducted at Council meetings is managed by the Chair.	Existing procedure adequate. Members to adhere to Code of Conduct.
Public Liability	Risk to third party, property or individuals	M	£12,000,000 public liability insurance is in place.	Review insurance annually.
Employer Liability	Non-compliance with employment law	L	£10,000,000 employers' liability insurance in place. Member of KALC and SLCC, so advice can be sought.	Existing procedure adequate. Review insurance annually.
Legal Liability	Legality of activities Proper and timely reporting via minutes Proper document control	M L L	Clerk to clarify legal position on proposals and to seek advice if necessary. Council always receives and approves minutes at bi-monthly meetings. Retention of document policy in place.	Existing procedure adequate.

MEMBERS' PROPRIETY				
Subject	Risk(s) Identified	Level H / M / L	Management/Control of Risk	Review/Assess/Revise
Members interests	Conflict of interest Register of Members interests	M M	Members have a duty to declare any interests at the start of the meeting, which are minuted. Disposable Pecuniary Interests form completed by each new Member.	Existing procedure adequate. Members to take responsibility to declare interests and update their register when necessary.

Chairman
Hunton Parish Council

Date

Date of next review: July 2022