

TERLING & FAIRSTEAD PARISH COUNCIL

RISK ASSESSMENT

DATE: 19 – 06 - 2023 REF. NO: RA3

ASSESSOR: T. Lewis

DESCRIPTION OF ACTIVITY:
Business & Financial activities

LIKELIHOOD	SEVERITY					
		Insignificant	Minor	Moderate	Major	Catastrophic
Rare	LOW	LOW	LOW	LOW	LOW	LOW
Unlikely	LOW	LOW	MEDIUM	MEDIUM	MEDIUM	MEDIUM
Moderate	LOW	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Likely	LOW	MEDIUM	HIGH	HIGH	HIGH	HIGH
Almost certain	LOW	MEDIUM	HIGH	HIGH	HIGH	HIGH

From the highlighted matrix, risk to the Council of complaint, personal distress or potential for litigation, should be identified.

Identified Risks	Assessment H/M/L	Insurance cover	Internal controls	External arrangements Comments	Further action required
Damage or loss of physical assets owned by the Council or for which they have custodial responsibility.	M/H	Insurance cover for items owned by the Council (NALC/BHIB - current cover for assets (£95,000) Assets insured for full replacement value. Cover by third parties who manage assets owned by the Council	Asset Register regularly reviewed by Clerk Annual inspection of third parties cover and review of risk. Annual review of contractor's agreements.	Regular maintenance arrangements for assets Ensure all contracts with external providers include safe systems of work	
Damage or harm caused by assets owned by the Council or for which it has custodial responsibility	L/M	Public Liability insurance cover (NALC/BHIB) Cover by third parties who manage assets owned by the Council	Risk assessments Weekly check of playground & equipment by Handyman Annual review of contractor's agreements & insurance	Annual inspection by ROSPA Tractor service when needed/ Ensure all contracts with external providers include safe systems of work	

			cover. Monthly checks of all (five) defibrillators and monitoring of Webnos system by Clerk.		
Identified Risks	Assessment H/M/L	Insurance cover	Internal controls	External arrangements Comments	Further action required
Damage to third party property or individuals as a consequence of the Council providing services or amenities to the public	L/M	Public Liability cover (NALC/BHIB- £5,000,000. Libel & slander £250,000)	Annual review of risk and adequacy of cover Annual review of contractor's agreements & insurance cover.	Ensure all contracts with external providers include safe systems of work.	
Health & Safety hazards encountered by staff, contractors, volunteers & public at large, as a result of council activities	M	Public liability & Employee liability cover (NALC/BHIB)	Health & Safety Policy Risk assessments Annual reviews		
Consequential loss of income or need to provide essential services following critical damage, loss or non-performance by third party	M	Not covered Current insurers will not cover potential loss.	Annual review of risk and adequacy of cover	PC reserves would cover any potential loss.	
Loss of monies through theft or dishonesty	L	Fidelity Guarantee cover (NALC/BHIB £150,000)	Annual review of risk and adequacy of cover. BACS, cheques and other account changes to be authorised by two councillors, authorised against invoices. Cash to be banked, receipted and records kept.	Internal audit review and testing of anti-fraud & corruption Appropriate banking arrangements in line with Financial Regs.	
Legal liability as a consequence of asset ownership	L/M	Public liability insurance (NALC/ BHIB)	Annual review of risk and adequacy of cover		
Legal liability as a consequence of employment	L/M	Employer's liability cover (NALC/BHIB)	Insurance certificates		Consider event insurance cover for specific projects

			archived for 40 years Risk Assessments in place for employees and volunteers.		involving volunteers as and when necessary
Identified Risks	Assessment H/M/L	Insurance cover	Internal controls	External arrangements Comments	Further action required
Failure to maintain proper financial records in accordance with statutory requirements	L		RFO responsibility Regular scrutiny of financial records - Clerk & Finance Committee Proper arrangements for the approval of expenditure (minuted). Monthly bank balances & reconciliations available for inspection with financial records.	Records scrutinised annually by independent Internal Auditor to ensure controls in place and working.	
Failure to ensure that all business activities are within the legal powers applicable to local councils	L		Recording the powers under which the expenditure is being approved	Review of minutes to ensure that legal powers are in place, correctly applied and recorded.	
Failure to ensure that requirements of employment law and inland revenue are met.	L		Monthly returns to the Inland Revenue. Contracts of employment for the Clerk and Handyman – reviewed annually by the Finance Committee	Checks carried out by Internal Auditor	
Failure to ensure that requirements of Customs & Excise Regs are met	L		Regular returns of VAT VAT claims made when amount totals £100.00 Training not needed due to Clerk's experience	Testing by Internal Auditor to include VAT returns	
Adequacy of the annual precept within	L		Finance Committee / RFO's	Testing of arrangements by	

sound budgetary arrangements			precept report & year- end report. Regular budgetary monitoring statements	Internal Auditor	
Identified Risks	Assessment H/M/L	Insurance cover	Internal controls	External arrangements Comments	Further action required
Inadequate and inaccurate reporting of council business in the minutes	L		Minutes approved by council and signed by Chair. Master copy in safekeeping of Clerk.	Records from 1894 - 1995 held in archive at Essex Records Office. Deposited July 2006.	
Failure to respond to electors wishing to exercise their rights of inspection.	L		Notice of inspection rights published on Website and main notice board when advised to by external auditor.		
Failure to meet the timetables laid down when responding to consultation invitations.	L		Extensions called for if required. Meetings called if required.		
Inadequate document control	L		Document control in accordance with standing orders and good practice Whereabouts of all archived documents is recorded.		
Failure of Councillors to keep their Register of Interests up-to-date	L		Procedures in place to remind Councillors of their legal obligations. Reminder at Annual Meeting on Agenda and training for new Councillors. Code of conduct for members and employees adopted.	June 2012 Code of Conduct	
Mismanagement of time by employees	L		Clerk to keep timesheets to		

			be checked by Chair		
Identified Risks	Assessment H/M/L	Insurance cover	Internal controls	External arrangements Comments	Further action required
Misappropriation of expenses by councillors or employees	L		Expenses checked by Chair. BACs payments - signatories check goods/services against invoices.		
Misappropriation of support payments to village organisations	L		Payments minuted & interests declared. Spending to be against specific items	Council will purchase items and donate	
Loss of electronically stored data / records	L/M		All data regularly backed up by Clerk.		
Loss of hard copies of data records	L/M		Hard copy documents – leases, contracts etc photocopied by Clerk and stored off site – with Chairman		
General Data Protection Regulations	L/M		Data Protection Policy on website, Register of Consent forms for Village Organisations List, Councillors, Employees,	General Data Protection Regulations – 25 th May 2018	

			Volunteers (including Ex Councillors/Employees)		
--	--	--	---	--	--

SUMMARY & RECOMMENDATIONS:

**This document has been produced following consultation with, and the recommendations of, the Finance Committee.
It replaces any business and financial risk assessments previously made**

REVIEW DATE: 19th June 2024

or sooner if circumstances change

**SIGNED:
ASSESSOR****DATE:****CHAIRMAN****DATE:****NUMBER OF COPIES:** 1**LOCATION:** Parish Clerk