

## KEELE PARISH COUNCIL RISK ASSESSMENT (to be adopted 18 April 2018)

### Mission Statement of Parish Council:

To provide services for, and manage and maintain the assets of, the Parish of Keele, within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents and obtaining value for money.

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible
<b>1.</b> To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct	1. Lack of knowledge of regulations and codes	Ensure that all Councillors have copies of relative Acts, Code of Conduct, and Standing Orders	Chair Clerk
	2. Absence of standing orders	Ensure that Standing Orders are produced, understood by councillors, and reviewed at least once per year	Chair Clerk
	3. Actions by the PC outside its powers laid down by Parliament	As at 1.1 above	Chair Clerk
	4. Lack of commitment to regulations and procedures	Regular reference to appropriate regulations in agenda items Delegation of responsibilities to progress agreed actions to individual councillors	Chair All councillors Clerk
	5. Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism	Ensure that all councillors are aware of regulations re estimates and full tender procedures Introduce practice of estimates for all purchases over an agreed figure	Chair Clerk
	6. Payments made without prior approval and adequate control	Ensure all payments are approved in Council meetings and recorded in minutes Keep cash payments to a minimum, and avoid if possible	Chair Clerk
	7. Lack of control of signatories to cheques	Keep list of authorised signatories and sign cheques in meeting, unless in emergency	Chair Clerk
	8. VAT not properly accounted for, resulting in overclaims and large demands from C&E	Ensure appropriate publications held and that Clerk has good knowledge of regulations	Chair Clerk
<b>2.</b> To identify and regularly review the Council's priorities	1. Lack of knowledge of how to set objectives, set priorities, and identify risks to their achievement	All councillors to be made aware of need for objectives and identification of risk Attend training sessions if practicable	Chair All Councillors Clerk

	<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>Add risk assessment to agenda annually, reviewing particular items, and results against those items</p> <p>As at 2.1 above Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission</p> <p>As at 2.2 above</p>	<p>Chair Clerk</p> <p>Chair Clerk</p> <p>Chair Clerk</p>
<p><b>3.</b> To influence other council departments and Government organisations to fulfil the requirements of the Parish population</p>	<p>1. Lack of effective lines of communication with other organisations</p> <p>2. Lack of effective lines of communication with parishioners</p> <p>3. Lack of preparation on subjects requiring influence</p> <p>4. Lack of confidence by Parish Councillors</p>	<p>Note all communication lines which are essential or beneficial and make information available to all councillors Establish contacts by name and where possible face-to-face</p> <p>Take every opportunity to publicise role of Parish Council Create Parish newsletter if none exists Effective use of Notice Boards and “fliers” Use key issues to raise profile of PC and to test parishioners’ views</p> <p>Ensure that all councillors are aware of need for careful research and are guided as to where to obtain relevant information on issues under discussion</p> <p>As at 3.1 above Experienced councillors to assist newcomers to establish essential contacts Delegate responsibility for specific contacts to individual councillors</p>	<p>Chair Clerk</p> <p>All Clerk All Clerk</p> <p>All Chair</p>
<p><b>4.</b> 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 possible culpability of councillors</p> <p>2. Lack of education of Councillors regarding culpability</p> <p>3. Inadequate insurance cover taken out – property, personal liability, employer’s liability</p>	<p>Creation of standing orders and familiarisation with those where greatest risk occurs As at item 4. above Delegate responsibility to one or two councillors to assist newcomers to understand culpability Attend any training courses available Review risk assessment by including on agenda of PC meetings annually Delegate responsibility for keeping up-to-date with insurance requirements to an individual councillor</p>	<p>Clerk Chair</p> <p>Chair</p> <p>Clerk Chair</p>

<p><b>5. To keep appropriate books of account accurately and up-to-date through out the financial year</b></p>	<p>1. Lack of knowledge of accounting requirements</p>	<p>Ensure that all councillors are familiar with current financial regulations and include them in standing orders Review standing orders annually Chair to take overall responsibility for financial management</p>	<p>Clerk Clerk Chair</p>
	<p>2. Lack of commitment to accounting requirements</p>	<p>As at 5.1 above Clerk to produce financial reports at all meetings Internal audit reports to be made available to all councillors on request and any recommendations to be acted upon promptly</p>	<p>Clerk</p>
	<p>3. Bank charges unnecessarily incurred</p>	<p>Chair to carry out regular inspection of books of account Internal audit to be undertaken annually</p>	<p>Chair</p>
	<p>4. Inaccuracies in recording amounts, totals in books of account, and bank reconciliations</p>	<p>Chair to ensure that books of account are formatted in such a way that internal controls are included and activated Internal audits to advise on internal controls required</p>	<p>Chair</p>
	<p>5. Inaccuracies and interest losses caused by account transfers</p>	<p>Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account</p>	<p>Clerk</p>
	<p>6. The most beneficial interest terms not being employed</p>	<p>Ensure that favorable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts</p>	<p>Clerk</p>
	<p>7. Inadequate control of cash receipts and payments</p>	<p>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. Pay in to bank within 3 working days</p>	<p>Clerk</p>
	<p>8. Books of account not kept up to date/ invoices not posted promptly</p>	<p>Regular checks by Chair and internal auditor Financial reports at all PC meetings</p>	<p>Chair Clerk</p>
	<p>9. Internal controls not in place or not operated</p>	<p>As at 5.8 above</p>	
	<p>10. Payments missed or delayed due to inadequate filing of invoices</p>	<p>As at 5.8 above</p>	
	<p>11. Clerk taken ill or leaves without replacement</p>	<p>Chair to be familiar with all aspects of financial matters</p>	<p>Chair</p>

<p><b>6.</b> To ensure that payments made from council funds and the use of assets, represent value for money, are adequately managed, and comply generally with the wishes of the residents</p>	<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 wishes of the residents</p>	<p>As at 3.2 Ensure residents are consulted on all major financial issues by posting notices in advance on PC notice boards</p> <p>Effective budget planning processes</p> <p>As at item 2 above Internal audit checks to cover consultation process</p>	<p>Clerk</p> <p>Clerk</p> <p>Clerk/Chair</p>
<p><b>7.</b> To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate</p>	<p>1. Lack of knowledge of budgetary process, and Council regulations</p> <p>2. Lack of commitment to budgetary process</p> <p>3. Inadequate consideration of requirements for annual precept</p> <p>4. Calculation 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>Include regulations in Standing Orders issued to all councillors Place item on agenda early in year to remind councillors of budget process and actions required Delegate responsibility for managing budgetary process to Clerk and Chair</p> <p>As at 7.1. above Involve all councillors in budgetary process not solely the Clerk</p> <p>Place item on agenda early in year to remind councillors of budget process and actions required Delegate responsibility for managing budgetary process to Clerk and Chair Start consideration of calculation at least 2 months prior to submission date Create annual plan to assist in process</p> <p>Checks by Chair and Internal Auditor</p> <p>Checks by Chair and Internal Auditor Financial and budget progress reports to all PC meetings</p> <p>As at 7.5 above</p>	<p>Clerk</p> <p>Clerk</p> <p>Council</p> <p>Clerk</p> <p>Clerk</p> <p>Council</p> <p>Clerk</p> <p>Clerk/Chair</p> <p>Chair</p> <p>Chair</p> <p>Clerk</p>
<p><b>8.</b> To explore all possible sources of income, and to ensure that expected income is fully received</p>	<p>1. Lack of knowledge of possible sources of income e.g. grants</p> <p>2. Lack of commitment to pursue possible sources</p>	<p>Clerk and Chair to gain experience of all grants available and application procedures</p> <p>As at 8.1 above</p>	<p>Clerk/Chair</p>

	<p>of income</p> <p>3. Receipts not banked or not banked promptly</p> <p>4. Debts not pursued promptly</p> <p>5. VAT claims not made promptly or made incorrectly</p>	<p>Regular checks by Chair Internal audit checks</p> <p>As at 8.3 above</p> <p>Ensure Clerk has appropriate and up-to-date VAT official publications Regular checks by Chair Internal audit checks</p>	<p>Chair</p> <p>Clerk Chair</p>
<p><b>9.</b> To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations, and adequately monitored</p>	<p>1. Inappropriate rate of pay to employees</p> <p>2. Amounts paid to contractors not in accordance with contract and inadequately monitored</p>	<p>Ensure employee regulations are available and understood by Clerk Checks by Chair Internal audit checks</p> <p>Internal audit checks Checks by Chair Checks and monitoring at all PC meetings</p>	<p>Clerk Chair</p> <p>Chair</p>
<p><b>10.</b> To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail</p>	<p>1. Lack of knowledge of Council regulations and procedures</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 from records to final accounts</p>	<p>Include financial regulations in Standing Orders Attend training seminars where available</p> <p>Include a time table in Standing Orders Chair to monitor progress against timetable and report to PC meetings</p> <p>Checks by Chair Internal audit checks</p> <p>As at 10.3 above</p>	<p>Clerk All</p> <p>Clerk Chair</p> <p>Chair</p>
<p><b>11.</b> 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>	<p>1. Lack of knowledge of assets of Parish Council</p> <p>2. Assets lost or misappropriated</p>	<p>Ascertain and record all assets for which Parish council is responsible Create permanent asset register</p> <p>Establish who is responsible for security and maintenance of each asset Appoint councillor responsible for regular monitoring of location and use of assets</p>	<p>Clerk</p> <p>Clerk</p> <p>Clerk Chair</p>

	3. Inadequate or inaccurate valuation of the council's assets	Arrange for periodic review of valuations and arrange for professional valuation where necessary Internal audit checks	Clerk
	4. Asset register not established or inadequately maintained	Create asset register in accordance with Audit Commission requirements	Clerk
<b>12.</b> To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc	1. Lack of knowledge of applicable legislation	Clerk to have all appropriate legislation available Review liabilities and responsibilities periodically at PC meetings	Clerk
	2. Lack of public awareness of applicable legislation	Include, as appropriate, in any public consultations	Clerk/Chair
	3. Failure to comply with applicable legislation	As at 12.1 above	
<b>13.</b> To carry out adequate safety checks on all equipment for which the council is responsible	1. Lack of information on equipment	Ensure that all current legislation and advice is held by Clerk	Clerk
		Include in asset register all properties for which PC responsible	Clerk