SHERFIELD ON LODDON PARISH COUNCIL

RISK ASSESSMENT AND INTERNAL CONTROLS

AREA	RISK	LEVEL	CONTROL OF RISK	MEANS OF CONTROL
Assets	Protection physical assets	Medium	• Buildings and play equipment are insured. The values Are increased annually by retail price index (RPI) or as advised. • Asset register.	• Insurance policy reviewed annually by Full Council and internal auditor. • Asset register reviewed annually by Full Council. • Asset register and insurance policy updated when required. • Issues reported to Full Council if/when required. • Office receives and action reports from members of the public regarding assets.
	Maintenance of building	Low	• Adequate budget provision • Regular inspections. • Professional advice taken when needed.	• Regular, visual inspections by officers and reported to Full Council.

	Maintenance of play areas and open spaces	High	• Quarterly and annual inspections. • Budgeting for maintenance annually. • Insurance in place. • Professional contractors used for works.	• Quarterly inspections carried out by Contractor and annual inspections by independent professional contractor. • All inspection reports are circulated to Full Council and records are available for inspection. • Medium and high risks are actioned accordingly. • Adequate budget for repairs. • Works are checked on a regular basis by officers. • Insurance policy reviewed annually. • Evidence of adequate insurance by contractors is requested and kept on file.
Finance	Banking	Medium	• Dual signatories for banking transactions. • Online banking with 1 Councillor to finish the payment process. • Internal controls. • Financial Regulations. • The internal auditor has been appointed to carry out an audit report and risk assessment of the financial systems and internal controls. • Insurance in place. • Internal and external auditor.	• RFO appointed. • Statements are received monthly, and the bank reconciliations and statements are reconciled with Rialtas verified by the Full Council monthly and signed and dated by the Chairman. • Annual review of Financial Regulations. • Account signatories to be reviewed and approved annually by Full Council. • Annual review of the internal controls and risk assessment. • Quarterly review of the Actual to Budget by Full Council. • A payment list is presented to Council and two Councillors are appointed to finish the process.

	Loss of income or need to provide	Medium	• Insurance. • All contractors provide proof of public liability cover.	• Insurance documents reviewed annually by Full Council. • General reserves to be held according to the policy and reviewed annually.
	essential services consequent upon critical damage, loss or non-performance of third party.		• Waiting list held for allotments. • Adequate budget.	• Council to ensure that contracts in excess of £500 are suitably worded. • Officers to keep evidence of insurance and risk assessments for all contractors. • Annual review of allotment, cemetery and sports pitches fees.
	Loss of cash through theft or dishonesty	Low	• Regular payments are encouraged to be via bank transfer. • Petty cash is not kept. • Fidelity Guarantee insurance in place to cover all money held by the Council.	• Parish Clerk to be accompanied to the bank if banking more than £500 of cash. • Insurance documents reviewed annually by Full Council.

	Financial control and records	Medium	• RFO appointed. • Financial Regulations. • Internal and external auditors appointed. • Use of account package – Rialtas.	• Financial Regulations to be reviewed annually. • Annual review by internal and external auditor and their reports to be presented to the Full Council. • Signatories on the accounts to be reviewed annually. • Parish Clerk to present quarterly the actual to budget expenditure and a statement of variants to the Full Council. • The use of direct debits is to be renewed by resolution of the Council at least every 2 years. • Monthly bank reconciliation to be prepared by the Parish Clerk, verified by Full Council and signed and dated by the Chairman. • Two Councillors to verify the invoices presented for payment and to sign the payment sheet. Payments are set up by the Parish Clerk.
	Comply with HMRC regulations	High	• VAT returns are submitted quarterly. • Use of accounts package. • External payroll provider used. • Internal and external auditor appointed. • HMRC helpline used if necessary. • Professional advisors used if necessary.	• VAT returns are reconciled with all bank accounts • Payroll is checked by the internal auditor. • Seek advice from HMRC, internal audit or SLCC/HALC if needed. • Seek professional advice for new projects.

	Sound budgeting and precept to cover the annual expenditure	Medium	• Asset register. • Internal auditor appointed. • Training available and encouraged for officers and Councillors. • Details of earmarked reserves in the budget. • Use of accounts package. • Financial Regulations. • Contracts in place with contractors. • Independent play areas inspections.	• Salary budgets to be reviewed at least annually in October for the following financial year. • Final budget and proposed precept to be approved by the Full Council during the January meeting. • Quarterly review of expenditure against the budget and explanation of material variances. • Asset register reviewed and updated annually. • Full Council to approve subscriptions annually. • All fees are reviewed annually. • Regular inspection of assets.
	Complying with borrowing restrictions	Low	• PWLB	• Payments made twice a year via standing order

AREA	RISK	LEVEL	CONTROL OF RISK	MEANS OF CONTROL
Liability	Risk to third party, property or individuals	Medium	• Insurance cover for public liability in place. • Risk assessments. • Health and Safety Policy. • Tree and Memorial inspections in place. • Ensure all contractors have adequate insurance.	• Annual review of insurance by Full Council. • Annual review of risk assessments. • Health and safety matters dealt with urgently and reported to Full Council • Tree reports carried out every 4 years. • Officers to request insurance documents and risk assessments from all contractors.
	Legal liability as consequence of asset ownership (especially at cemetery and play areas)	High	• Insurance is in place. • Quarterly and annual checks. • Risk assessments. • Trees investigated when damage reported. • Tree Surveys.	• Insurance documents to be reviewed by Full Council annually. • Independent contractor to carry out Quarterly inspections on the play areas. Reports are reviewed, work actioned if needed and records filed. The annual report is carried out by an independent play inspector. The reports are circulated to Full Council. • Risk Assessments reviewed annually. • Council to act on the recommendations in the tree survey.
Employer Liability	Comply with employment law	Medium	• Qualified Clerk employed. • As a member of Hampshire Association of Local Councils (HALC), National Association of Local Councils (NALC) and Society of Local Council Parish Clerks (SLCC) their advice can be sought.	• Policies to be reviewed annually. • Professional advice to be requested when needed. • Insurance documents reviewed annually by Full Council.

AREA	RISK	LEVEL	CONTROL OF RISK	MEANS OF CONTROL
			• Compliance with Employment Law and Health and Safety regulations. • Equality and Diversity Policy. • Insurance. • Officers' contracts to be updated when required. • All officers to be given a contract of employment on appointment. • Employer's liability insurance cover. • Fidelity guarantee insurance.	• H&S issues to be reported to the Full Council • Insurance policy reviewed annually.
	Comply with HMRC requirements	Medium	• Regular advice is issued by HMRC. • Internal and external auditor to carry out annual checks. • Pay roll to be maintained as required by the Inland Revenue.	• Reports from the auditors to be presented to the Council. • Payroll is checked by the internal auditor.
	Safety of officers and visitors	Medium	• Risk Assessments.	• Safety equipment testing logs available for inspection. • Risk Assessments reviewed annually. • All Polices reviewed annually.

Legal Liability	Ensuring activities are within legal powers	High	• Qualified Clerk employed. • Budget for training. • Advice available from HALC, NALC and SLCC. • Insurance in place for legal expenses, fidelity guarantee and libel and slander.	• Parish Clerk to clarify legal position on any new proposals when required. • Legal advice to be sought where necessary. • Standing Orders and Financial Regulations reviewed annually.
			• Standing Orders and Financial Regulations. • Internal Auditor. • Monitoring Officer at BDBC.	• Councillors to review and update DPI forms when necessary. • Annual review of the Code of Conduct and Councillors to attend training. • Clerk to advise Council on acting within legal powers and complying with relevant legislation. • Council decisions to be clearly minuted. • Membership of ICO. • Annual audit by Internal Auditor. • Adhere to the Transparency Code.
	Proper and timely reporting via the minutes	Medium	• The Full Council meets every month. Minutes of all the previous meetings are always received, approved and signed by the Chairman of the Council.	• Minutes are added to the website when circulated to Councillors. • Hard copies of the approved minutes and appendices are stored in the file kept by the Clerk.

Council	Councillors' obligation to declare DPIs	High	• Councillors to complete Declaration of Pecuniary Interests (DPI) forms. • DPIs to be declared at meetings when necessary. • Councillors to inform the Parish Clerk of any gifts and hospitality received.	• Councillor DPI forms available on BDBC's website with a link to the Council's website. DPIs to be updated when necessary. • DPIs to be noted in the minutes. • Records to be kept of gifts and hospitality received.
	Council acting improperly	High	• Code of Conduct. • Standing Orders, Financial Regulations and Policies. • Minutes.	• The approved Code of Conduct should be followed and reviewed and updated on a regular basis. • Appointment of suitably qualified officers.
			• Training for Councillors and officers available and encouraged. • Legal expenses, fidelity guarantee and libel and slander insurance cover in place. • All documents relating to Council business to be held in by the Clerk and destroyed according to the Document Retention Policy. • Advice available from HALC, SLCC and NALC. • Internal auditor appointed.	• Parish Clerk to advise the Council to ensure it is complying with relevant legislation. • Breaches to the Code to be reported to the Monitoring Officer. • Standing Orders, Financial Regulations, Terms of Reference, Complaints Procedure and all other polices are reviewed and approved annually. • Council decisions are clearly minuted and the minutes are kept for future reference. • All Councillors to complete DPI forms and to attend training as per Standing Orders. • Training available for officers and Councillors. • The Transparency Code is adhered to. • Membership of ICO renewed annually. • Insurance documents reviewed annually by the Full Council. • Clerk to seek advice when needed. • Internal auditor appointed.

	Discrimination – the Council or its employees acting in a discriminatory and/or illegal manner	Medium	• Equality and Diversity Policy. • Civility and Respect Pledge.	• The Council will endeavour not to discriminate in any of its dealings and actions. • Equality and Diversity policy reviewed annually. • Promotion of Civility and Respect Pledge.
	Data Protection	Medium	• The Council is registered with the Information Commissioner. • Data Protection Policy.	• Annual review of Data Protection Policy.
	Freedom of Information Act	Medium	• Model Publication Scheme. • ICO registration.	• Model Publication reviewed annually. • The Parish Clerk will report to the Council any requests made under the FOI Act.
	Loss of records	Medium	• Documents stored on OneDrive. • Secure area in OneDrive for private and confidential records. • Data Protection Policy. • Document Retention Policy.	• Electronic files and Accounts are stored in the Cloud. • Council documents are held according to the Document Retention Policy. • Data Protection Policy is reviewed annually. • Document Retention Policy reviewed annually. • Proper handover and induction for new officers.

	Loss of key officers	Medium	• Training. • Careful planning of holidays. • In the absence of officers, a Councillor or Locum Clerk will provide cover. • Employment Contracts. • Record of passwords. • Insurance. • Membership of HALC and SLCC.	• Regular updates on work between officers. • All holiday requests to be made with notice. • Proper handover and inductions for new officers. • Appropriate notice period in employment contracts. • Grievances to be dealt with swiftly and according to approved polices. • Records stored appropriately. • Annual review of Scheme of Delegation.

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AREA	RISK	LEVEL	CONTROL OF RISK	MEANS OF CONTROL
	IT failure or theft	Medium	• All data is stored on OneDrive. • All computers are password protected. • Data Protection Policy.	• Officers to protect passwords. • All devices have anti-virus software. • Annual review of Data Protection Policy.
	Business Continuity	Medium	• Insurance. • Member of HALC. • Parish Clerk is a member of SLCC. • Risk assessments. • Record of passwords.	• Insurance Policy reviewed annually. • Regular dialogue between officers. • On-going officers training. • Risk assessments updated annually. • Officers to follow national rules and guidelines.
	Slanderous / libellous statements by employees / Councillors	Low	• Insurance is in place for libel and slander.	• The insurance policy is reviewed annually by the Full Council.
	Inability of the Council to make decisions due to national crisis		• Adequate banking arrangements. • Website. • Social Media.	• Annual review of bank signatories. • Website updated regularly with polices and information. • Social Media kept up to date.

AREA	RISK	LEVEL	CONTROL OF RISK	MEANS OF CONTROL
				• Annual review of Risk Assessments.
	Theft	Medium	• Insurance.	• Annual review of insurance policy. • Annual review of risk assessments.
Contractors	Inadequate contracting arrangements and poor contractors' performance	High	• Standing Orders. • Contracts. • Performance to be monitored by Council officers.	• Standing Orders to be reviewed annually by the Council. • Contracts to be reviewed annually by the Parish Clerk and reported to the Council prior to renewal. • Inadequate performance to be reported to the Council immediately following detection for a resolution.