

## GRAVENEY AND GOODNESTONE PARISH COUNCIL

<b>RISK ASSESSMENT adopted December 2007, reviewed May 2018</b>						
<b>Risk Description</b>	<b>Risk Impacts</b>	<b>Risk Severity</b>	<b>Risk Probability</b>	<b>Risk Status LMH</b>	<b>Control Procedures</b>	<b>Responsibility</b>
<b>Finance</b>						
Failure to claim VAT regularly	Loss of bank interest, loss of income if claim submitted after three years	1	1	Low	Cllrs regularly check bank reconciliations and amount of VAT outstanding monitored. Claims submitted at least annually and reported to cllrs as part of Financial Report. Cllrs monitor amount outstanding at the end of the financial year when approving the accounts. New clerks to be advised of HM Customs & Excise regulations and taught VAT recovery procedure.	Clerk, Cllrs, Internal Auditor
Non-receipt of grant monies available due to missed deadlines for applications	Potential monetary loss	2	1	Low	Clerk to peruse all incoming mail for potential grant possibilities and any pertinent deadlines. Cllrs to advise of any similar possibilities not reported by clerk. Clerk to investigate any grant monies applied for but not received. Record to be kept of all letters & phone calls for investigation purposes.	Clerk, Cllrs
Failure to set a precept	Potential monetary loss	3	1	Low	Submission of precept in accordance with parish & district council procedures. Compliance with district council procedures for allocations. Proper budget preparation and ratification.	Clerk, Cllrs
Fictitious invoices submitted	Potential fraud, potential monetary loss	2	1	Low	Internal Audit checks to match payments to invoices. All cheques must be accounted for. All cheques must have 2 signatures. Clerk is not one of the bank signatories.	Cllrs, Internal Auditor
Fictitious payments of direct debits and standing orders	Potential fraud, potential monetary loss	1	1	Low	Direct Debit only established for SSE. Standing Orders only established for street lighting maintenance and clerk's salary and office expenses.	Cllrs, Internal Auditor
Unauthorised withdrawals from accounts	Potential fraud, potential monetary loss	3	1	Low	No blank cheques to be signed by cllrs. Two signatories required, clerk is not a signatory. No blank cheques or cancelled cheques to be removed from cheque books. Bank mandates to amend or add any signatories to be signed by all signatories. Loss of cash through theft or dishonesty covered by fidelity insurance. Monthly Financial Report and account balance to be included in agenda. Clerk to annually submit balanced books and copy of bank statement to internal auditor.	Cllrs, Clerk, Internal Auditor
Loss of cash through poor supplier/contractor selection	Potential monetary loss	2	1	Low	Where possible, three quotes to be presented for work to be done. Majority voting and proper recording in minutes of any financial decisions.	Clerk, Cllrs
<b>Governance</b>						
Inability to carry out council business due to lack of quorum.	Lack of ability to carry out council business	1	1	Low	Optimum number of councillors maintained through co-option or election.	Clerk, Cllrs
Failure to declare interests, operate within the Code of Conduct or act within statutory powers	Potential for parish council actions to be declared illegal	3	2	Med	Annual review of DPI forms. Cllrs to have access to, and understand, extent of statutory powers. Cllrs to be made aware of Code of Conduct. Declarations of interest on any agenda item to be minuted. Cllrs to be offered training.	Clerk, Cllrs

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Financial expenditure not properly authorised or decisions inadequately recorded	Potential for parishioners to disagree with parish council decisions or actions or for parish council actions to be declared illegal	3	1	Low	Ensure minutes are accurate and confirmed and minute book maintained. Ensure all expenditures are properly authorised and minuted.	Clerk
Failure to advertise a meeting	Potential to not be able to conduct business due to lack of advertising meeting	1	1	Low	Ensure all meetings are properly advertised as required. All agenda must be presented to cllrs and meetings advertised at least 3 clear days prior to meeting date or 7 days for Annual Parish Meeting. New clerks to be advised of legal regulations during hand over of job responsibilities.	Clerk
Failure to comply with audit regulations	Potential to not be able to conduct business, potential fine	3	1	Low	Ensure all audit regulations are adhered to. New clerks to be advised of legal regulations during hand over of job responsibilities.	Clerk
<b>Insurance</b>						
Under or over insured or no insurance	Potential financial loss due to improper insurance cover	3	1	Low	Annual review of insurance and cover reported to parish council. Parish property covered by insurance and the risk of damage to third party property or individuals is covered by public liability. Items added/deleted/changed as required. All other aspects to be reviewed annually. Ensure best value is maintained.	Clerk and cllr designated to check insurance cover
<b>Asset List &amp; Street Lights</b>						
Items being stolen, damaged, destroyed or causing injury not covered by insurance	Potential loss due to out of date asset register. Lack of or inadequate insurance cover to meet potential claims	1	1	Low	Annual review of assets. Asset register kept with photos of items. Insurance cover checked against asset register. Items regularly inspected.	Clerk and cllr designated to check assets
<b>Bank</b>						
Unprofessional and inaccurate accounts	Potential monetary loss, potential legal challenge	2	1	Low	Financial Report and bank reconciliation reported to cllrs.	Clerk
<b>Protection of Data</b>						
Crash of system leading to information being unrecoverable	Potential loss of Parish Council information	2	1	Low	Data kept as paper copies as well as electronically. Electronic records kept in online storage facility.	Clerk
<b>Risk</b>						
Need to review possible problems faced by parish council and methods taken to reduce risk	Lack of risk assessment introduces possibility of poor planning, dishonesty and claims against the council	2	1	Low	Annual risk assessment review is undertaken. Any risk or safety problem to be reported to cllrs to review.	Clerk, Cllrs

Severity	Rating
Serious	3
Moderate	2
Minor	1
Probability	
Likely to occur frequently or continually	3
Probably will occur	2
Unlikely to occur	1

**Status**  
 When a hazard is identified its potential severity and the probability of the occurrence are assessed. The ratings of severity and probability are multiplied together to reach the actual risk.  
 RISK = Severity x Probability  
 1-3 = Low Risk  
 4-6 = Medium Risk  
 7-9 = High Risk