

Mollington Parish Council Risk Assessment January 2018

Topic	Risk Identified	Level of Risk	Management of risk	Action	Likelihood of event	Impact of Risk	Risk	Comments
Financial Records & General Correspondence	Loss due to computer breakdown, etc.	3	Regularly back up files (Back up Media to be kept remotely)	Ongoing	Medium	7	35	Done continually no unrecoverable data over 24 hrs old. Physical back-up media stored off premises. Uninsured risk maximum exposure recovery of data from previous backup. No financial risk
Cyber Liability	Risk of Cyber theft/ destruction	5	Back up as above plus latest anti-virus software installed 12/17	Ongoing	Low	5	25	Cyber theft would not affect monies. Internet not used for banking or payments and no facility to do so. Virtual records could be affected. Exposure is to recovery of data from previous backup. Risk is insured
VAT	Claimed within time limits	4	Agree returns submitted	Ongoing	Medium	5	20	To be claimed every 6 months April to September and October to March. Reported to PC each meeting. Not insured maximum exposure <£1000
Members interests	Conflict of interest	5	Update declarations of interest annually	Clerk to check annually	Low	4	20	Up to date. Members declare any interest in items on the Agenda of each Parish Council Meeting. Insured for fraud etc. No financial risk
Assets	Risk of damage to third party property or individuals	3	Review adequacy of Public Liability insurance	Diary - annual review	Low	6	18	New 3 year insurance agreement in June 2017. Damage to property and third party individuals covered by insurance. Maximum exposure is the excess on the policy which is £250
Staff	Personal Liability of Councillors/Staff	3	Liability insurance	Annual Ongoing Insurance to be Renewed	Low	6	18	Continuance of Public and Personal Liability Insurance. Max exposure is excess on policy
Assets	Loss, damage, etc.	4	Annual inspection, update insurance and asset registers	Diary - annual review	Medium	4	16	Playgrounds = £47,000. Other items £10454. Insurances and Assets reviewed annually. PC inspect equipment regularly. Insured and maximum exposure is the excess which is £250
Staff	Loss of key personnel (Clerk)	3	Hours, health, stress training	On Going	Low	4	12	All PC members & Clerk happy with the current set up. Dec 2017. No financial risk but would be significant operational issues until new clerk appointed
Precept	Adequacy of precept	2	Monthly review of budget to actual expenditure	Clerk produces monthly budget summary	Medium	5	10	To be increased for 2017/18 to cover increased expenditure forecast. No financial risk and if precept not adequate for unexpected expenditure PC has a policy of retaining approx 1 year precept as a reserve
Legal Powers	Illegal activity or payment	3	Educate Council as to their legal powers	Training for Clerk and Councillors	Medium	3	9	Training undertaken. Revised Governance Arrangements undertaken. Insured risk
Best Value	Overspend on services	3	Ensure correct tendering for services	Ongoing	Medium	3	9	
Precept	Not paid by DC	2	Clerk to check & liaise with DC	Diary	Low	2	6	Grass cutting re-tendered Autumn 2017. 3 + 1 year term. 5 quotations sought
Direct Costs & overhead expenses	Invoice incorrectly calculated	2	Check arithmetic	Ongoing	Low	2	4	On going - paid up to date. Precept covered by adequate reserves
Direct Costs & overhead expenses	Cheque payable to wrong party	2	Signatures initial stub & invoice	Ongoing	Low	2	4	New Internal Auditor appointed 2016 and reviewed. All accounts fully computerised & self balancing. Reconciled to bank for every transaction
Financial Records	Inadequate records	2	Clerk to check quarterly and regular internal audit	Diary	Low	2	4	Yes - also clerk signs all invoices. Not insured. Two independent checks on payees from Councillor. Records more than adequate. Chairman to agree balance sheet and bank reconciliation periodically during the year. No financial risk
Minutes	Accurate and legal	2	Review at following meeting	Ongoing	Low	2	4	Agreed, signed at next PC meeting & posted. Up to date Nov 2017. No financial risk
Staff	Fraud	1	Fidelity Guarantee Insurance	Review sum insured on Annual Basis	Low	2	2	Fidelity Insurance in place - We are aware of the risk & accept the value of cover. Risk is limited to the excess on the policy
Cash	Loss through theft or dishonesty	0	Insurance cover - review - ensure adequacy of fidelity guarantee	Review sum insured on annual basis	Low	2	0	No cash held. No risk. Risk closed
Salaries	Wrong salary paid	1	Clerk check to agreement	Signatures to check	Low	2	2	Ongoing & correct at Dec 2017. If incorrect can correct in the following period
Direct Costs & overhead expenses	Goods not supplied	1	Clerk/Councillors to monitor	Ongoing	Low	2	2	Ongoing & correct at Dec 2017. Two independent checks of invoices not including Councillor who raises the expenditure
Effectiveness of Internal Audit	Failure to meet statutory & financial requirements	4	Clerk/Councillors to monitor	Ongoing	Low	6	2	New Internal Auditor appointed 2016 and audited annually by independent auditor. No financial risk

11 January 2018

Agreed by

SIGNED BY CHAIRMAN
Chairman

SIGNED BY CLERK
Clerk

Minuted Date: 23rd January 2018

Minute number:

838