

EAST ANSTEY PARISH COUNCIL

ANNUAL BUSINESS RISK ASSESSMENT

IN CONJUNCTION WITH THE

**GOVERNANCE AND ACCOUNTABILITY IN LOCAL COUNCILS IN
ENGLAND PRACTITIONERS GUIDE (MARCH 2023)**

PREPARED BY THE RESPONSIBLE FINANCIAL OFFICER

Reviewed & Adopted 13th March 2024

Review Date March 2025

EAST ANSTEY PARISH COUNCIL

Business Risk Assessment

This risk assessment is a systematic general examination of financial controls, business risk, working conditions, activities carried out by the clerk, councillors and volunteers and environmental factors that will enable the council to identify any potential risks inherent in its activities and operations. Based on a recorded assessment, the council should then take all necessary steps to eliminate or, where this is not possible reduce the risks, insofar as is reasonably practicable to do so.

This document has been produced to enable the Parish Council to assess the financial, management and other business risks that it faces and to satisfy itself and others that it has taken adequate steps to control them. In conducting this exercise, the following plan was followed:

- Identify the areas to be reviewed
- Identify the risks and determine the likelihood and severity
- Eliminate risks where possible by and implement appropriate risk control strategies to manage the residual risks
- Record all findings, regularly monitor and review as necessary

TOPIC	RISK IDENTIFIED	Likelihood	Severity	Management of Risk	Status
1. Financial					
Precept	Inadequate Precept	L	M	The Clerk/RFO will present a draft budget to the Council in December. The Council will review the draft and consider any projects they wish to see implemented in the forthcoming year and any anticipated income. The Precept will be agreed in January when the tax base for the parish is known.	Review March 2025

Precept	Precept requirements not submitted to NDC	L	H	The Clerk receives 2 sets of information from NDC and has to make 2 responses. It is unlikely that both will be missed. The Clerk will send the completed form to NDC as soon as the precept has been agreed.	Review March 2025
Incorrect payment of Invoices	Incorrect amounts shown on bank payments set up for authorisation, made payable to wrong party, incorrect amount shown on cheque or cheque made payable to wrong party.	L	M	Two councillors authorise online payments and both receive scanned copies of invoices they are being asked to authorise Two signatures required on cheque, both of whom checks invoice against cheque and initial cheque stub and invoice if correct	Review March 2025
Payments	Payments made late or not made, resulting in the council being possibly subjected to penalty charges	L	M	Check terms on invoice to see if there are any penalties for late payment or discounts for early payments. Invoice checked on receipt for approval of payment and online payment set up for authorisation or cheque written out ready for signatures and payment. The Clerk/ RFO has delegated authority to authorise the payment of items if a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of council. The	Review March 2025

				payment is reported at the next Council meeting.	
Budgets	Insufficient funds are available to meet financial demands	L	H	Spending against budget is reviewed on a quarterly basis. Action is taken if spending is anticipated to exceed budget.	Review March 2025
Internal Control	Financial Regulations are not being adhered to leading to a possible breakdown in the financial control of the Council	L	H	Financial documents are prepared on a quarterly basis including a bank reconciliation of all council financial assets. Documents are checked by councillors.	Review March 2025
Bank Reconciliation	Financial Report does not reconcile with bank statement	L	L	Financial documents are prepared on a quarterly basis including a bank reconciliation of financial assets. A named councillor, agreed on an annual basis, checks and signs bank reconciliations quarterly. This councillor is not a signatory for the Council's bank accounts.	Review March 2025
Council control over payments	Council loses control over authorisation of payments	L	H	Authority for payment is made in line with the Financial Regulations laid down by Council. Three councillors are signatories and can authorise payments set up by the Clerk/RFO. Authority is removed when a signatory or Clerk/RFO leaves the Council.	Review March 2025
Unauthorised expenditure	Councillor commits council to an expenditure not authorised by council or RFO	L	H	All payments must be authorised by council, committee or an officer under conditions laid down in the Council's financial regulations. No individual	Review March 2025

				councillor has authority to commit or authorised expenditure of the council's funds. All orders should be made by the Clerk/RFO	
Lost financial data	Financial data is lost due to software or hardware failure	M	H	System is backed up on a regular basis to a secure cloud storage system and on an external hard drive, either after major input or at least on a weekly basis. A copy is kept off site in case of damage to the Clerk's home.	Review March 2025
Salaries	Incorrect payment of salary	L	L	The only paid employee is the Clerk. The Clerk is paid monthly (plus any expenses). Payment is authorised by Council monthly. Increases to pay are authorised by the Council. The Internal auditor ensures that deductions are properly administered. The Clerk maintains a time has a Contract of Employment which includes the hours the Clerk is employed for.	Review March 2025
PAYE & NI	Failure to account for PAYE & NI or to make quarterly payments to HMRC or inform them that there is no liability	L	M	Put all Payroll through a Payroll software system to ensure correct liability is calculated. Produce quarterly statement of amount owed to HMRC and make payment to allow funds to reach HMRC by 19 th of July, October, January and April. RTI is submitted to HMRC monthly, on or before the date payment is made.	Review March 2025

Insurance	Failure to renew insurance or keep cover up to date	M	H	Council checks policy at least annually in April to ensure adequate cover is maintained and agrees payment. Payment is made with monthly payments for May.	Review March 2025
AGAR (annual return) and Transparency Code requirements not followed	AGAR not completed on time and Transparency Code requirements not followed	L	M	The Clerk prepares the annual return as soon as possible after year end and arranges for an internal audit to be carried out before presenting to Council for approval within the designated timescales. Once approved documents are published on the website	Review March 2025
2. Business Continuity					
Council is unable to operate properly due to loss of documents	Council documents are lost due to fire, flood or are unavailable due to the Clerk being incapacitated	L	H	Documents are always backed up to a secure cloud storage facility and memory sticks. The Chair keeps one memory stick which is regularly swapped with an updated one. Important documents are scanned and stored electronically in addition to the paper copy.	Review March 2025
Clerk	Loss of Clerk due to illness or accident	L	M	Short term absence of Clerk is covered by Councillors. Loss or long term incapacity of Clerk would be covered by Councillors and/or appointment of a Locum Clerk. Council documents are stored on Dropbox and a link can be given to a councillor or a locum clerk.	Review March 2025

Website	<p>eastanstey.org.uk domain name is not renewed and website is not available, Council fails to comply with the Transparency Code The website is hacked.</p> <p>The website does not meet accessibility requirements</p>	<p>M</p> <p>L</p>	<p>M</p> <p>L</p>	<p>Login details for domain name are held by Malcolm Godfrey, Exmoor Creative LLP, and the Council pays him for maintaining the website. All changes to the website are made by someone who has received GDPR training. The website is backed up regularly.</p> <p>Council pages have been updated to meet requirements. An accessibility statement has been produced and published. There are some document that are required to be published that do not meet accessibility requirements and that is explained in the statement. Documents are checked for accessibility before they are published.</p>	Review March 2025
3. Health & Safety					
Risk Assessment	Failure to carry out suitable and sufficient risk assessment and ensure that corrective actions are dealt with within agreed timeframes	M	H	Regular review of Business Risk Assessment undertaken by the Clerk and Council. Risk assessments carried out for any activities organised by the Council.	Review March 2025
Clerk	Home working	L	M	The clerk works from home and no office is provided by the council. The clerk ensures that health and safety guidance is followed and a checklist has been completed and is reviewed on a regular basis.	Review March 2025

Display Screen Equipment	Possible claim by staff due to poor workstation ergonomics	L	M	Individual risk assessment of work station area with adequate training or instruction provided as necessary, in line with Display Screen Equipment Regulations	Review March 2025
Personal Safety	Danger when member of staff is working alone or visiting a site. This could also apply to a councillor or volunteer.	H	H	The Council has a lone working policy. Adequate security measures should be in place when staff are lone working. Meetings with members of the public who are not known should be avoided whenever possible unless other people are close by. Meetings should not be at the Clerk or Councillor's home. Advice is that two people should go on visits whenever possible. Where not possible the person making a visit should inform someone where they are going and how long they are likely to be. That person should carry a mobile phone.	Review March 2025
Play Area & Playing Field	Injury is incurred due to faulty or damaged play equipment, safety surfacing, fencing, seating or litter bins. Injury is caused by a contractor working on the field.	L	H	An annual inspection of the play equipment and site is carried out by a qualified person. The Council discusses the report and acts on any advice in the recommended time frame. A weekly inspection is carried out on behalf of the Council and is recorded on a signed report which is held by the Council for 21 years. Any matters of concern are noted on the report and reported to the Clerk. The	

				<p>Clerk authorises appropriate action to deal with the concern in an appropriate time frame. A report is made to the next Council meeting. Anyone carrying out work on the equipment is competent.</p> <p>Any person or organisation using the playing field for an event has to obtain the written permission of the Council and provide a copy of their public liability insurance. The Council reserves the right to ask for the amount to be increased if it is felt to be inadequate. Risk Assessments need to be carried out.</p> <p>The Council checks that contractors carrying out work on the field are competent, have a risk assessment and have adequate public liability insurance. A copy is kept on file.</p>	
<p>Personal injury claims against the Council</p>	<p>Councillor or volunteer makes a claim for injuries incurred while carrying out duties/work on behalf of the Council. Person makes a claim as a result of injuries caused by work carried out by a Councillor or volunteer.</p>	<p>L</p>	<p>H</p>	<p>A risk assessment is carried out before any duty/ work is carried out. The Council ensures that the person is competent for the task and has received training if required. PPE equipment is supplied if necessary. Warning signs and barriers are used when necessary.</p> <p>The Council ensures that it's Employer's Liability insurance cover is adequate and volunteers are covered. A list of volunteers and their details is kept by the Clerk. The Council</p>	<p>Review March 2025</p>

				ensures that it's Public Liability insurance is adequate.	
Contractors	An accident occurs when a contractor has been contracted by the Council to carry out work on its behalf	L	H	Ensure the contractor (including employees) is competent to carry out the work they have been contracted to carry out and, if necessary, the relevant qualifications. Ensure they have adequate public liability and employer's liability insurance to the work they are contracted to do. Ensure risk assessments are carried out before the work is started. Ensure warning signage will be displayed when necessary.	Review March 2025
4. Legal					
Libel claim from correspondence or social media	As a result of correspondence a member of the public makes a claim for damages against the council. As a result of comments on social media a member of the public make a claim for damages against the council	L	H	Letters should normally be written by officers who are insured against such issues A Social Media Policy and an Anti-harassment Policy are agreed by the Council and followed by the clerk and councillors.	Review March 2025
Council acts in an Ultra Vires way	Council makes an unlawful decision or one in which they had no power to do so	L	H	Clerk to ensure, as far as possible, that legislation permits action. Where there is doubt no action is to be taken until professional advice is provided in writing or by email. The Clerk is a member of SLCC and receives advice on legislation changes.	Review March 2025

Contracts and Best Value Principles	Council fails to follow procedures contained in Financial Regulations or within the principles laid down for Best Value	L	M	<p>Prior to any negotiations taking place that involves new, or the renewal of contracts, the Financial Regulations appertaining to contracts should be read and guidance followed.</p> <p>The council should, as far as possible, follow the principles of best value in all its purchases. In doing this it is understood that there will be certain specialist services where the full principles of best value cannot be adhered to. Such instances should be noted in the minutes with the reasons clearly given.</p>	Review March 2025
Section 137 LGA 1972 payments	Section 137 payments are subject to a maximum amount per elector which cannot be exceeded	L	H	RFO to ensure that the Section 137 limit is not exceeded	Review March 2025
Data Security	Failure to comply with GDPR and the Data Protection Act 2018	M	H	<p>Audit of data held by the Council carried out to identify areas of risk and procedures put in place. Data Protection Policy, Privacy Statements and Consent Forms agreed.</p> <p>Clerk/RFO has received training about GDPR and checks regularly for legislation updates.</p> <p>Councillors briefed about GDPR</p>	Review March 2025