PARISH COUNCIL RISK ASSESSMENT

Mission Statement of Parish Council:
To provide services for, the management and maintenance of the assets of the village of South Hykeham, within the law, and the resources provided by the annual precept and other incomes and obtaining value for money.

Aims	Risk	Method used to Minimise Risk	Person(s) Responsible	Level of risk
1 To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct.	1 Lack of knowledge and regulations and codes.	Ensure that all Councillors have received a copy of relevant Acts, Code of Conduct, and Standing Orders. The Clerk must have a Register of Interests from each Councillor which must be updated within 28 days of any change. Essential training for members.	Chairman Clerk	Medium (training to be undertaken)
	2 Office copies of documents are not current	Clerk to check annually that current legislation is provided to members	Clerk	Low
	3 Absence of standing orders	Ensure that Standing Orders are produced, understood by councillors and reviewed once per year.	Chairman Clerk	Low
	4 Lack of commitment to regulations and procedures.	Regular reference to appropriate policies Delegation of responsibilities to individual councillors.	Chairman Clerk	Low
	5 Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism.	Ensure that all councillors are aware of regulations of full tender procedures, as in Standing Orders/Financial Regulations. Introduce practice of tenders for all purchases over the agreed figure as set out in Standing Orders/Financial Regulations.	Chairman Clerk	Low Low
	6 Payments made without prior approval and adequate control.	Ensure all payments are approved in Council meetings and recorded in the minutes, as payments of accounts. Cash payments made from Petty Cash as agreed figure in Standing Orders/Financial Regulations.	Chairman Clerk Chairman Clerk	Low
	7 Lack of control of payment signatories. 8.Lack of security of authentication cards/debit cards/passwords etc 9. Lack of control of electronic payments and transfers	Keep authorised signatories to a minimum of four. All signatories & clerk to be vigilant about security/clerk to check bank statements regularly for unusual activity on accounts. All payments to be approved in Council meetings and recorded in the minutes as payment of accounts.	Chairman/Clerk Clerk/ Signatories Chairman/Clerk signatories	Low Low Low

2. 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. 2 Lack of commitment by council members 3 No risk analysis carried out. 4 No steps taken to combat identified risks	All Councillors to be made aware of need for objectives and identification of risk. Attend training sessions as legislation/situations change. Add risk assessment to agenda annually, reviewing particular items and results against those items. As at 1 above. Ensure that completion of the risk assessment is given high priority, as is a requirement of the Audit Commission As at 2 above	Clerk/Chairman of relevant committee All Members All Members All Members All Members All Members	Medium (Training required to minimise risk) Low Medium (Training required to minimise risk) Low (training undertaken)
3. To form a partnership with other council and government organisations in order to achieve adequate communication and information	1 Lack of effective lines of communication with other organisations. 2 Lack of effective lines of communication with parishioners. 3 Lack of preparation on subjects requiring information.	Develop all communication lines which are essential or may be beneficial and make information available to all councillors Establish contacts by name and where possible face-to-face Take every opportunity to publicise role of Parish Council. Effective use of Notice Boards, website and "fliers". Use key issues to raise profile of PC and test parishioner's views. 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. Proactive involvement by councillors in researching and reading up on current initiatives and legislation.	Chairman Clerk Chairman/ Clerk/ Councillors Chairman	Low Low Low (training/ meetings/internet)

4 To keep appropriate books of account accurately and up-to-date throughout the financial year.	1 Lack of knowledge of accounting requirements. 2 Lack of commitment to accounting requirements. 3 Bank charges unnecessarily incurred 4 Failures and inaccuracies in recording amounts, totals in books of account, and bank reconciliations. 5 Inaccuracies and interest losses caused by account transfers. 6 The most beneficial interest terms not being employed. 7 Inadequate control of cash receipts and payments 8 Books of account not kept up to date/invoices not posted promptly. Internal controls not in place or not operated Payments missed or delayed due to inadequate filing of invoices. 9 Clerk taken ill or leaves without	Ensure that all councillors are familiar with current financial regulations and include them in financial regulations of council and standing orders. Regularly review standing orders/financial regulations. Appoint a Responsible Finance Officer (RFO), (the Clerk) to take overall responsibility for financial management. Have a councillor who is able to step in the event that the clerk/RFO becomes incapacitated. RFO to produce financial reports at least every quarter. Internal audit reports to be made available to all councillors and any recommendations to be considered. RFO to carry out regular inspection of books of accounts. Internal audit to be undertaken at least once a year during the current financial year. RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required. Keep number of accounts to a minimum but ensure that any large credit balances are deposited in a higher interest bearing account. Bank account provision to be reviewed annually against alternatives, but bearing in mind the risks in changing accounts. Where cash payments and receipts are unavoidable, use a properly system of reimbursement of essential items as in Standing Orders with a limit on a single item of expenditure. Regular checks by RFO and internal auditor. List of payment of accounts at all PC meetings. Budget reports to full council at least quarterly. Chairman and appointed Councillor to be familiar with all aspects day to day operation of financial matters. Effective budget planning process & training on setting budget Creation of annual plan (precept) after consultation process. Chairman/appointed Councillor to be aware of all aspects of financial matters and proper procedures	RFO RFO RFO RFO RFO RFO RFO RFO RFO All Members All Members All Members RFO/internal auditor All Members All Members All Members	Low Low Medium Low Low Low Low Low Low Low Low Low Medium (training necessary) Low Low Medium Low

5 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.	replacement 1 Use of funds not giving value for money 2 Charges for use of facilities inadequate	Effective financial management by RFO Charges to be reviewed annually.	RFO	Low Low
6. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored and reserves are appropriate.	1 Lack of knowledge of budgetary process and Council regulations. 2 Lack of commitment to budgetary process 3 Calculation not in accordance with Council regulations Inadequate internal controls with regard to monitoring expenditure Reserves too low.	Place item on agenda to remind councillors of budget process (precept) and actions required. Responsibility for managing budgetary process managed between the Council members and RFO Involve all councillors in budgetary process not solely the RFO Checks by RFO and Internal Auditor Financial and budget progress reports to all PC meetings Regular review in accordance with statutory guidance	RFO/ and all councillors Chairmen of Committees/RFO/ All members RFO RFO RFO RFO/all members	Low Low Low Low Low Low Low
7. To explore all possible sources of income and to ensure that expected income is fully received.	1 Lack of knowledge and commitment to pursue all possible sources of income e.g. grants. 2 Receipts not banked or not banked promptly 3 VAT claims not made promptly or made incorrectly	RFO, Chairmen of Committees/members to pursue together, grant sources. Regular checks by RFO Internal audit checks. Ensure Clerk has appropriate and up-to-date VAT official publications. Regular checks by RFO/ Internal audit checks	All Members RFO/internal auditor Clerk RFO/ Internal auditor	Low (training) Low Low Low

8. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with Council regulations and adequately monitored	1 Inappropriate rate of pay to employees Tax and NI arrangements not in accordance with regulations 2 Amounts paid to contractors not in accordance with contract and inadequately monitored	Ensure employee regulations are available and understood by Clerk. Regular HMRC training to be undertaken. Checks by RFO - NJC Conditions of Service to be applied. Internal audit checks Checks by RFO Appoint councillor to monitor contract work as appropriate/ Internal audit checks	Chairmen of HR Committee Clerk/RFO/ Appointed councillor	Low Low Low Low
9 To ensure that year end accounts are prepared on the correct accounting basis, on time and supported by an adequate audit trail	1 Lack of knowledge of Council regulations and procedures 2 Late or non-submission of annual accounts 3 Year end accounts not prepared, inaccurate or not in accordance with Council Requirements	Include financial regulations with Standing Orders Attend training seminars as appropriate. RFO to monitor progress against timetable and report to PC meetings Checks by RFO Internal audit checks	All Members/RFO All Members/RFO RFO/members/ Internal auditor	Low Low Low
10 To identify, value and maintain all the assets of the Parish Council and ensure that asset registers are complete, accurate and properly maintained	1 Lack of knowledge of assets of Parish Council 2 Assets lost or misappropriated 3 Inadequate or inaccurate valuation of the Council's assets 4 Asset register not established or inadequately maintained	Ascertain and record all assets for which the Parish Council is responsible. Report to council annually and minute. Create permanent asset register and update as and when required. Establish who is responsible for security and maintenance of each asset. Members to keep close watch on assets in their vicinity Clerk to liaise with members and to ensure regular monitoring of location and use of assets. Arrange for annual review of valuations and arrange for professional valuation where necessary Internal audit checks Create asset register in accordance with Audit Commission	Chairman Clerk Clerk/ All members Full council/ Internal auditor RFO/internalauditor	Low Low Low Low

11 To comply with appropriate Government legislation including disability, racial, sexual equality, safeguarding children, Covid 19 and social distancing regulations in compliance with the legislations etc.	1 Lack of knowledge or failure to comply with applicable legislation 2 Lack of public awareness of applicable legislation	Clerk to have all appropriate legislation available Review liabilities and responsibilities periodically at PC meetings Include, as appropriate, in any public consultations Ensure that all current legislation and advice is held by Clerk	Clerk/Council Clerk/Council Clerk/Council	Low Low Low (employment training to be regularly undertaken)
12 To carry out adequate safety checks on all buildings, properties, and equipment for which the Council is responsible in compliance with Health and Safety legislation.	1 Lack of information on properties, buildings and equipment 2 Lack of knowledge of safety requirements Lack of understanding 3 Lack of commitment to carrying out safety checks	Include in asset register all properties, for which PC is responsible Ensure that all current legislation and advice is held by Clerk Place subject as item on PC, and or Committee meeting agenda at regular intervals. Risk assessment to be provided for all activities or events. Ensure that all current legislation and advice is held by Clerk Delegate responsibility for particular properties to appropriate committee	Clerk/Council Clerk/Council	Low Low
13 Responsible caring employer within the law	1. Lack of compliance with employee legislation. 2. Failure to engage with the Clerk/employees and to consider their wellbeing and to identify opportunities for training and development within the role	Job description and contract of employment. Professional advice to be sought if deemed necessary. Conduct Annual Appraisal early September at the latest/offer opportunity for progression and training within the role	HR Committee/ Council HR Committee/ Council	Low Low

Adopted at the meeting of 8th October 2025

Signed ……………………………………………………………………………………….Date…………………………………………………………………………..