



## LICKY AND BLACKWELL PARISH COUNCIL RISK ASSESSMENT AND MANAGEMENT

**Likelihood multiplied by impact = Risk Rating Score. Risk Ratings High 5, Medium 4,3,2; Low 1**

Risk Area	Potential Risk Identified	Likelihood of Occur	Impact	Risk rating Score	Potential Impact	Steps to mitigate risk (Control)	Evidence	Action (Agreed Improvements)
Assets	Damage to physical assets as identified on the Asset Register (office equipment, street furniture)	1-2	1-2	Low-Medium	Cost of replacing damaged, destroyed or missing assets. Loss of facilities	Maintain Asset Register, Resolve Ownership, Regular maintenance of assets; Adequate level of insurance	Current insurance policy Maintenance Contract Risk-Assessed Fixed Asset List	Regular review of Insurance policy. Regular review of maintenance contract.
Finance	Banking procedures	1	3	Medium	Cash flow problems Increased potential for fraud	Follow clear procedure via Financial Regulations. Regular banking and reconciliation of statements. Termly internal audit by Parish councillors. Mandate kept up to date	Banking Procedures agreed by Council. Monthly reconciled bank statements. Signed confirmation of quarterly internal audit; Independent internal audit Current bank mandate	Ensure all council members have a copy of banking procedure. Review Banl mandate to ensure bank signatories are up to date.
Finance	Loss of income because of damage or theft	1	1	Low	Inability to provide expected service. Loss of key data.	Adequate level of insurance cover. Any important documents backed up to off-site hard drive and original paper copies kept in lockable filing cabinet	Current insurance policy Data back-up	Review the need for consequential loss insurance cover. Storage of key documents to be in a fireproof lockable cabinet where possible

Finance	Loss of income because of non-payment of sales invoices	2	1	Medium	Cash flow	Have a 7-day payment policy detailed on the invoice Provide multiple ways in which to make a payment and detail these prominently on the invoice. Set automated reminders following invoice date.	System in place for non-payments. 7 days, fortnightly reminder, non-payment further action letters, legal proceedings.	
Finance	Loss of cash through theft or dishonesty	1	3	Medium	Adverse publicity for the council and risk to reputation. Financial loss	Adequate level of insurance cover with a minimum of £10,000.00	Insurance policy document	Review level of fidelity insurance relevant to size/activity of council.
Finance	Non-compliance With HMRC regulations	1	2	Medium	Penalties and/or fines for late returns, errors on submission etc. Reputational risk and adverse publicity.	Use external advice when necessary. Submit VAT returns (when necessary) every 6 months and at least annually. Submit Real-Time payroll monthly and end of year returns online and on time. Internal and external audit review.	VAT returns (where applicable) and workings. Monthly payroll submission confirmations.	Maintain VAT accounting (where necessary) monthly to keep track of when to submit VAT return. Maintain monthly and quarterly salary returns.
Finance	Inadequate financial controls and records	1	2	Medium	Lack of control over the Council's assets. Higher likelihood of fraud or misappropriation of assets. Ineffective reporting. Qualified internal and external audit reports.	Qualified executive officer. Adherence to Finance regulations and policies. Accounts/Asset register prepared	Minimum of 2 year review of relevant policies. Quarterly (minimum) accounts statements to Parish Council. Bank reconciliation	Review Finance Regulations annually. Maintain asset register and reconcile to agreed

						<p>on accounting system. Bank reconciliation taken monthly. Quarterly inspection of accounts daybook by appointed members. Expenditure payments approved by council. Minimum 2 council signatories on payment authorisations. Annual independent internal audit.</p>	<p>statements to Parish Council. Bank Reconciliation statements. Check sheets signed by appointed members. Signed expenditure payment reports. Signed authorisation reports/cheque stubs. Approved signatories on bank mandate. Auditor's statement "unqualified".</p>	<p>insurance values. Update asset register for all future assets purchased. Training for members and EO. CPD in financial administration.</p>
Finance	Inadequate budgeting	1	2	Medium	Council receives less funding than is required to meet its obligations and objectives.	<p>Council prepares detailed balanced budget in late autumn. Precept determined directly from this budget. Actual expenditure versus budget reported to the council at least twice a year.</p>	<p>Budget versus actual statements with minuted approval, signed by 2 Parish councillors.</p>	<p>To include statement of approval in minutes.</p>
Finance	Non-compliance With borrowing restrictions	1	1	Low	Council acting outside its powers.	<p>Justification for any additional borrowing fully reviewed and approved by the council. Borrowing approved via NAL.</p>	<p>Internal and External audit reviews.</p>	<p>Not currently required.</p>

Liability	Third party property or individuals	1	3	Medium	Funding cost of a successful action or claim against the council. Reputational risk.	Public liability insurance cover (£10M)	Current insurance policy	
Liability	Legal liability Because of asset ownership e.g. street furniture	1	3	Medium	Cost oof a successful claim against the Council Reputational risk.	Adequate insurance, clarify land ownership responsibility.	Current insurance policy	Proof of ownership
Employer liability	Non-compliance with employment law	1	3	Medium	Employee dissatisfaction and disputes, leading to industrial tribunal.	Employer liability insurance cover. Relevant staff training and experience. Advice from relevant professional advisers and membership bodies e.g. CALC and SLCC.	Staff qualifications and training records. Membership confirmation. Contractual arrangements with professional advisers. Annual appraisal.	Review line management responsibilities. Appraisal policy.
Employer liability	Non-compliance with HMRC requirements	1	3	Medium	Fines and penalties for late returns, errors etc. HMRC investigations.	Relevant staff training and experience. To take note of advice from HMRC as required. Internal and external audit reviews.	Records of HMRC returns and submissions.	Chairman / Vice Chairman to note receipt of HMRC notifications.
Employer liability	Safety of staff and visitors	1	1	Low	Funding cost of a successful action or claim against the Council. Reputational risk.	Adequate insurance. Relevant staff training. Adherence to Council policy on lone working and health and safety.	Current insurance policy. Signed confirmation of acceptance of policy. Training certificates.	Revisit employee safe working policies / lone working policy. Creation of Health and Safety Policy
Contractual liability	Failure to fulfil contract	1	2	Medium	Cost of legal support in event of claim. Reputational risk.	Adequate insurance. Both sides to agree terms of contract.	Copy of agreed written contract signed and retained.	

						Contractors to provide proof of insurance cover.	Copy of contractors insurance retained.	
Legal liability	Non-compliance With legal powers (acting ultra vires)	1	1	Low	Potential reputational and financial risk.	Executive officer clarifies the legal position. Legal advice to be taken as necessary. Regular Worcs CALC updates circulated. Access to CALC/NALC.	Council minutes. General power of competence achieved and implemented.	
Legal liability	Inaccurate and/or non-timely reporting via the minutes	1	3	Medium	Inappropriate or no actions undertaken. Reputational risk. Non-compliance with the Freedom of Information Act.	Full council meets regularly and receives and approves minutes of meetings. Minutes made available to public via the council website. Staff training.	Council minutes consecutively numbered, signed and dated. Hard copies available as well as via the website	Annual review of Freedom of Information requirements.
Legal liability	Inaccurate and / or non-timely disclosure via public media e.g. newsletter/website	1	3	Medium	Misleading information provided. Legal claim against the Council. Risk to reputation.	All media double-checked for accuracy. Newsletter proof-read. Permissions obtained. Libel/slander insurance cover.	Regular reporting to council, recorded in minutes. Signed copies of permissions retained.	
Legal liability	Misconduct of staff.	1	1	Low	Risk to reputation. 3 <sup>rd</sup> party claim against the council. Cost of legal advice.	Regular liaison with Executive Officer. Membership of relevant professional body (SLCC/LCM) CPD training.	Diarised meetings. Chairman and Executive Officer Support of membership to SLCC.	

							Annual appraisal and review of training needs.	
Health & Safety	Failure to comply with legislation	1	3	Medium	Action or claim against the council Reputational risk.	Policies of health and safety adopted and reviewed every two years. Checklists and risk assessments of relevant activities are undertaken. Training of staff. Lead Health & Safety Officer identified.	Review of policy minuted. Health & Safety policy available Accident record book retained in office. First-Aid kit available in office.	Check suitability of First-Aid kit and purchase replacement items if required. Regular review of H&S policy.
Legal Liability	Document control	1	2	Medium	Loss of key data. Confidential data compromised. ICO investigation. Council unable to function effectively.	Any key legal documents kept in locked office cabinet or archived at County Records office. Computer backed up regularly using stand alone hard drive.	Schedule of which documents are contained in locked cabinet and those at County archive.	Identify and list statutory documents (e.g. employer's liability, minutes) and where stored.
Councillor propriety	Non-declaration of interests	1	3	Medium	Councillor's conflict of interest. Corruption Reputational risk.	Register of interest completed and reviewed annually. Agenda item to prompt all to declare any DPI's/ODI's. Update forms available at meetings. Training of councillors.	Register available online via District Council's website. All declared interests recorded in Parish council minutes. Councillor's training record maintained.	
Councillor Propriety	Non compliance with Code of Conduct	1	3	Medium	Bringing the Council into disrepute.	Signed acceptance of Code, copy	Parish Council minutes.	Ensure new members

						provided to all members. Training of Councillors.	Councillors training record maintained.	receive appropriate training.
IT	Failure of IT system	1	4	Medium	Loss of service	Upgrade / service equipment regularly	New laptop purchased in July 2021	Purchase extended warranty on IT equipment.
IT	Security	2	2	Medium	Cybercrime / Ransomware /Malware	Antivirus software applied to the laptop. Back up to cloud system.	Annual renewal of antivirus. Emails are quarantined automatically if from an unfamiliar source. Two-step authentication on financial websites. Password protection all e-commerce activity and council's own website.	
IT	Security	1	2	Medium	Theft	Insured to cover cost of replacement. No data stored on laptop as all cloud-based storage minimises the risk of data protection and council integrity.	Current insurance policy.	

**Approved by Lickey and Blackwell Parish Council at the Parish Council meeting of 22nd May 2023 and signed by the Chairman.**

**Signature .....**

**Date ...22nd May 2023**

**Review date May 2024**