



## Report ABPC/24/001

**To: Aldington and Bonnington Parish Council.**

**Date: 13 May 2024**

**Status: Public Report**

**Subject: General Risk Assessment**

1. **SUMMARY:**

This report brings to the Parish Council a copy of the risk assessment carried out as part of the end of year audit exercise.

2. **REASON FOR RECOMMENDATION.**

The Parish Council is required to acknowledge the risk assessment and to note any areas where the risk is not deemed to be trivial or acceptable.

3. **RECOMMENDATIONS:**

1. **To receive and note Report ABPC/24/001.**
2. **To receive and acknowledge the General risk assessment**

4. **INTRODUCTION:**

As part of the annual audit exercise a review of risks that the Parish Council need to consider in its general day to day operations has been undertaken. Any of the risks identified as not adequately controlled will be the subject of further research and a report to the council to reduce the risk to an acceptable level.

This assessment has been seen by the Independent Internal Auditor who will be checking at the next audit visit that appropriate actions have been taken.

5. **CONTACT OFFICER AND BACKGROUND DOCUMENTS.**

If you have any queries about this report please contact the Responsible Financial Officer of the Council Tel.: 07928453208 or email: [clerk@abpc.org.uk](mailto:clerk@abpc.org.uk) prior to the meeting.

ALDINGTON & BONNINGTON PARISH COUNCIL – RISK ASSESSMENT/MANAGEMENT 2023/24

- Risk assessment is a systematic general examination of the activities of the Parish Council to enable potential risks to be identified.
- The Parish Council, based on the recorded assessment, will take all practical and necessary steps to reduce or eliminate the risks identified.
- This document has been produced to enable Aldington & Bonnington Parish Council to assess the risks inherent to its activities and satisfy itself that it has taken all reasonable steps to minimise them.

AREA	IDENTIFIED RISK	LEVEL OF RISK	CONTROLS	ACTION REQUIRED
<b>FINANCIAL</b>				
Precept	Adequacy of precept in order for Council to carry out Statutory duties.	L	<ul style="list-style-type: none"> <li>• Annual budget produced.</li> <li>• Council receives quarterly budget report.</li> <li>• Quarterly information and budget monitoring allow Council to estimate standing costs and costs of projects for subsequent years.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>
Financial records	Inadequate records leading to financial irregularities.	L	<ul style="list-style-type: none"> <li>• Financial regulations set out requirement for production of records.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>
Bank and banking	Inadequate checks/bank mistakes.	L	<ul style="list-style-type: none"> <li>• Financial regulations set out banking requirements and controls in place for electronic banking,</li> <li>• Monthly bank reconciliation statement</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>
Reporting and auditing	Communication of information.	L	<ul style="list-style-type: none"> <li>• Financial matters are a regular item on the agenda of the Council's monthly meeting.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>
Wages and associated costs	Salaries paid incorrectly.	L	<ul style="list-style-type: none"> <li>• Salary payments included in monthly schedule of payments approved by full Council.</li> <li>• HMRC monthly payments included on monthly schedule of</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>

	Incorrect HMRC NI and PAYE payments		payments approved by full Council	
Best Value Accountability	Work awarded incorrectly.  Overspend on services.	L	<ul style="list-style-type: none"> <li>Parish Council procedure (as per Financial Regulations) to seek 3 quotes for all work estimated to cost over £100.</li> <li>For major projects, competitive tendering process would be initiated (as per Financial Regulations)</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
VAT	Unclaimed VAT refunds	L	<ul style="list-style-type: none"> <li>Refunds from HMRC for reclaimed VAT incurred displayed in cash book.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate</li> </ul>
<b>EMPLOYMENT ISSUES</b>				
Working hours	Overpayment of wages for hours worked	L	<ul style="list-style-type: none"> <li>Council has responsibility for monitoring of hours worked by employees.</li> <li>Wage cost submitted on a monthly basis as invoices to be presented for payment,</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
Working conditions	Council non-compliant with contractual obligations; leading to discontented workforce.	M	<ul style="list-style-type: none"> <li>Regular reviews of performance and working relationship with the Council.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
Health and Safety	Injury to staff in the working environment	M	<ul style="list-style-type: none"> <li>Extensive health and safety guidance provided to staff.</li> <li>Reviewed on a regular basis in conjunction with working practices and risk assessments,</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing reviews as necessary.</li> </ul>
Fraud	Fraud by employees	L	<ul style="list-style-type: none"> <li>Requirements of Fidelity Guarantee within insurance provision</li> <li>Regular checks and internal controls on financial activity</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>

<b>INSURANCE PROVISION</b>				
Adequacy	Insurance provision inadequate for the risk identified	L	<ul style="list-style-type: none"> <li>Annual review is undertaken of all insurance arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
Cost	Best value practice not undertaken	L	<ul style="list-style-type: none"> <li>Cost of insurance provision and service by said provider reviewed annually</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
<b>FREEDOM OF INFORMATION PROVISION</b>	Non-compliance with Freedom of Information Act statutory requirements.	L	<ul style="list-style-type: none"> <li>Council has Model Publication scheme available on website and hard copy from the Clerk.</li> <li>Freedom of Information Request Policy in line with statutory requirements.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
<b>DATA PROTECTION</b>	Non-compliance with Data Protection Act and GDPR statutory requirements for registration as data controller	L	<ul style="list-style-type: none"> <li>Clerk/RFO undertaken training.</li> <li>Council registered with ICO as a Data Controller.</li> <li>Privacy notices available on website.</li> <li>Retention and disposal policy adopted.</li> <li>Security Incident procedure in place.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
<b>ANNUAL RETURN (HMRC)</b>	Submission within time limits to avoid financial penalties	L	<ul style="list-style-type: none"> <li>Employers Annual Return to HMRC completed and submitted online within the required time frame by Clerk/RFO.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
<b>ANNUAL RETURN (TO EXTERNAL AUDITORS)</b>	Submission within time limits to avoid financial penalties	L	<ul style="list-style-type: none"> <li>Sent to internal auditor for completion and signing.</li> <li>Presented to Council for approval and signing before being sent for External Audit.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
<b>LEGAL POWERS</b>	Illegal activity and/or payments	L	<ul style="list-style-type: none"> <li>All actions of the Parish Council noted in minutes presented to all members.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>

			<ul style="list-style-type: none"> <li>Any action not within legal powers to be noted 'against Clerk's advice'.</li> <li>All resolutions for payment resolved at monthly meetings of Parish Council.</li> </ul>	
<b>STATUTORY OBLIGATIONS REGARDING DOCUMENTS</b>	Accuracy and legality of notices, agendas, minutes	L	<ul style="list-style-type: none"> <li>Minutes produced in the prescribed manner by the Clerk and adhere to legal requirements.</li> <li>Minutes are approved, signed and dated at the next meeting of the Council.</li> <li>Agendas and notices are produced in the prescribed manner by the Clerk and adhere to legal requirements.</li> <li>Agendas and notices are displayed according to legal requirements.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedures adequate.</li> </ul>
<b>MEMBERS INTERESTS</b>	Non-registration of Disclosable Pecuniary Interests leading to criminal prosecution	M	<ul style="list-style-type: none"> <li>Request for all members to declare any interests in business to be considered at all meetings.</li> <li>Registration of interests by members on prescribed form. Responsibility of individual member to declare said interests.</li> <li>Register of interest forms displayed on Parish Council website.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>
<b>ASSETS MAINTENANCE</b>	Loss or damage. Risk damage to third party	L	<ul style="list-style-type: none"> <li>Annual review of assets undertaken for both insurance provision and external audit requirements.</li> </ul>	<ul style="list-style-type: none"> <li>No action required.</li> <li>Existing procedure adequate.</li> </ul>

			<ul style="list-style-type: none"> <li>• Agenda item as required – assets considered by Council when purchase or disposal is advised.</li> </ul>	
<b>ASSETS</b>	Poor performance of assets	L	<ul style="list-style-type: none"> <li>• All assets owned by Parish Council are regularly reviewed.</li> <li>• All repairs and relevant expenditure authorised in accordance with correct procedures of the Parish Council.</li> <li>• Significant assets insured.</li> <li>• Insurance provision reviewed annually.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>
<b>MEETING LOCATION</b>	Premises inadequate for needs of Council and inaccessible for members of the public	L	<ul style="list-style-type: none"> <li>• All meetings of Aldington and Bonnington Parish Council are held in Aldington Village Hall which has adequate facilities for the hosting of meetings.</li> <li>• Hall is fully DA compliant and in the centre of the village</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure is adequate.</li> </ul>
<b>COUNCIL RECORDS</b>				
Paper records	Loss of essential records through theft and/or fire damage. Council minutes and historical correspondence	L	<ul style="list-style-type: none"> <li>• All pre 1994 Parish Council minutes are archived at the Kent County Archives Maidstone all other minutes are stored in a locked metal cabinet located in the Mission Hall.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure is adequate.</li> </ul>
	Current financial records	L	<ul style="list-style-type: none"> <li>• All current Parish Council financial records are stored securely at home of Clerk.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>
Electronic records	Loss through; theft, fire damage or corruption of computer	L	<ul style="list-style-type: none"> <li>• Parish Council electronic records are stored on the Parish Council laptop held by the Clerk.</li> </ul>	<ul style="list-style-type: none"> <li>• No action required.</li> <li>• Existing procedure adequate.</li> </ul>

			<ul style="list-style-type: none"><li>• Backups of electronic data are made at regular intervals.</li><li>• data transferred to a portable hard drive on a monthly basis, held by a Councillor.</li></ul>	
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## Risk Assessment Scoring Matrix

Likelihood	Severity					
	Multiple death (10)	Single death (8)	Major injury (6)	Lost time injury (4)	Minor injury (2)	Delay (1)
Certain (10)	100	80	60	40	20	10
Very likely (8)	80	64	48	32	16	8
Likely (6)	60	48	36	24	12	6
May happen (4)	40	32	24	16	8	4
Unlikely (2)	20	16	12	8	4	2
Very unlikely (1)	10	8	6	4	2	1
Score	Priority	Action				
1 – 16	LOW	Action is required to reduce the risk, although low priority				
17 – 36	MEDIUM	Action required to control Interim measures may be necessary in the short term				
37 – 100	HIGH	Action required urgently to control risks. Unacceptable immediate action required				