



Doddershill Parish Council

RISK ASSESSMENT MATRIX

RISK AREA	POTENTIAL RISK IDENTIFIED	LIKELIHOOD OF OCCUR	IMPACT	RISK RATING SCORE	POTENTIAL IMPACT	STEPS TO MITIGATE RISK (CONTROL)	EVIDENCE	ACTION (AGREED IMPROVEMENTS)
Assets	<u>Damage to physical assets as identified on the Asset Register (street furniture, playground equip etc.)</u>	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 contracts.	Regular review of insurance policy. Regular review of maintenance contracts.
Finance	<u>Banking procedures</u>	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 procedure agreed by Council. Monthly reconciled bank statements. Signed confirmation of quarterly internal audit; Independent internal audit Current bank mandate.	Ensure all council members have copy of banking procedure. Review bank mandate to ensure bank signatures are up to date.
Finance	<u>Loss of income because of damage or theft</u>	1	1	Low	Inability to provide expected service. Loss of key data.	Adequate level of insurance cover. Any important documents stored on Cloud based software and if appropriate original paper copies kept in lockable filing cabinet.	Current insurance policy schedule. Instant data back up.	Review the need for consequential loss insurance cover. If appropriate storage of key documents to be in a fireproof lockable cabinet where possible.
Finance	<u>Loss of income because of non-payment of sales invoices</u>	2	1	Medium	Cash flow	Detail payment terms on each invoice. Provide multiple ways in which to make a payment and detail these prominently on the invoice.	System in place for non-payments. 7days, fortnightly reminder, non-payment further action letters, legal proceedings.	Set automated reminders following invoice date.

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

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					POTENTIAL IMPACT	EVIDENCE		
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 fidelity insurance cover, with a minimum of £10,000.	Insurance policy document	Review level of fidelity insurance relevant to size/activity of council.
Finance	<u>Non-compliance</u> with HMRC regulations	1	2	Medium	Penalties and/or fines for late returns, errors on submissions etc. Reputational risk and adverse publicity.	Use external advice when necessary. Submit VAT returns quarterly. Outsource Payroll to payroll specialist. Internal and external audit review.	VAT returns and workings. Monthly payroll submission confirmations.	Maintain VAT accounting monthly to keep track of when to submit VAT return. Maintain monthly and quarterly salary returns payments as instructed by outsourced payroll.
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 Clerk, Adherence to Finance Regulations & policies. Accounts/asset register prepared on accounting system. Bank reconciliations undertaken monthly. Quarterly inspection of accounts by appointed members. Expenditure payments approved by council. Minimum 2 council signatories on payment authorisations. Annual independent internal audit.	Minimum of 2-year review of relevant policies. Quarterly (minimum) accounts statements to Parish Council. Bank reconciliation statements. Check-sheets signed by appointed members. Signed expenditure payments reports. Signed authorisation reports / cheque stubs. Approved signatories on bank mandate. Auditor's statement 'un-qualified'.	Review Finance Regulations annually. Maintain asset register and reconcile to agreed insurance values. Update asset register for all future assets purchased. CPD training for members and the Clerk in financial administration
Finance	<u>Inadequate</u> budgeting	1	2	Medium	Council receives less funding than is required to meet its obligations and objectives.	Council prepares detailed balanced budget in late Autumn. Precept determined directly from this budget. Actual expenditure versus budget reported to Council at least twice a year.	Budget versus actual statements with minuted approval, signed by 2 parish councillors.	To include statement of approval in the minutes.

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Finance	Non-Compliance with borrowing restrictions	1	1	Low	Council acting outside its powers	Justification for any additional borrowing fully reviewed and approved by Council. Borrowing approval via NALC.	Internal and external audit reviews.	Not currently required.
Liability	Third party property or individuals	1	3	Medium	Funding cost of a successful action or claim against the Council.	Public liability insurance cover (£10M)	Current insurance policy.	
Liability	Legal liability because of asset ownership e.g. street furniture	1	3	Medium	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 SLC	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.	Members 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.	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 H&S Policy
Contractual Liability	Failure to fulfil contract	1	2	Medium	Cost of legal support in event of claim.	Adequate insurance. Both sides to agree terms of contract.	Copy of agreed written contract signed & retained.	
					Reputation at risk.	Contractors to provide proof of insurance cover.	Copy of contractors' insurance retained.	

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Legal liability	Non-compliance with legal powers (acting <i>Ultra vires</i>)	1	1	Low	Potential reputational and financial risk.	Clerk clarifies the legal position. Legal advice to be taken as necessary. Regular WorSCALC updates circulated. Access to CALC /NALC	Council minutes.	
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 copy can be made 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	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 3rd-party claim against the Council Cost of legal advice	Regular liaison with the Clerk Membership of relevant professional body (SLCC) CPD training	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 on health and safety to be adopted and reviewed every two years. Checklists and risk assessments of relevant activities are undertaken. Training of staff. Lead Health and Safety Officer identified.	Review of policy minuted. Health and Safety policy to be made available. Accident record book retained in the Village Hall. First-Aid kit available in the Village Hall.	Regularly check first-aid kit and purchase replacement items when 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 to Cloud instantly.	Schedule of which documents are contained in locked cabinet and those at County Archive.	Identify and list statutory documents (e.g. employers' liability, minutes) and where stored.

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Councillor Propriety	<u>Non-Declaration of Interests</u>	1	3	Medium	Councillors' 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 on SharePoint. Training of councillors	Register available online via link to District Council website. All declared interests recorded in Parish Council minutes Councillors' training record maintained.	
Councillor Propriety	<u>Non-compliance with Code of Conduct</u>	1	3	Medium	Bringing the Council into disrepute	Signed acceptance of Code; copy provided to all members. Training of councillors	Parish Council minutes Councillors' training record maintained	Ensure new members receive appropriate training
IT	Failure of IT System	1	4	Medium	Loss of service	Upgrade / service equipment regularly	New laptop purchased in 2020.	Provide the Clerk with the new laptop as currently using alternative non-council IT equipment
IT	Security	2	2	Medium	Cybercrime – Ransomware / Malware	Antivirus software applied to all systems. Back up to cloud system.	Annual renewal of antivirus. Emails are quarantined automatically if from an unfamiliar source. Password protection on all activity and council's own website.	Different passwords for each login.
IT	Security	1	2	Medium	Theft	Insured to cover cost of replacement. No data stored on IT Equipment, all cloud-based storage to minimise the risk of data protection and council integrity.	Current insurance policy.	

Approved by Dodderhill Parish Council at the Parish Council Meeting 8 June 2021 and signed by the Chair.

Alyson Keane
Alyson Keane (Jun 10, 2021 12:17 GMT+1)

Jun 10, 2021
Date _____

Review Date: June 2023

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