

**SHERE PARISH COUNCIL**

**GOVERNANCE AND MANAGEMENT RISK ASSESSMENT**

Annual approval by Council –2019

	<b>RISK</b>	<b>IMPACT</b>	<b>LIKELIHOOD</b>	<b>SEVERITY</b>	<b>CONTROL ACTION INTERNAL CONTROLS</b>	<b>REVIEW FREQUENCY</b>	<b>ALTERNATIVE REVIEW TRIGGER INTERNAL AUDIT</b>
1	Lack of forward Planning and budgetary controls	Lack of direction and prioritisation	L	H	Budget in operation and regularly reviewed.	Budget set annually and reviewed during the year.	Unexpected expense
2	Poor reporting to Council	Poor quality decision making  Council becomes ill informed	L	H	Timely and accurate financial reporting. Clear instructions to staff.	Quarterly  Annually	Matter raised at meeting
3	Failure to keep proper financial records in accordance with statutory requirements	Inadequate financial control	L	H	Proper arrangements for the notification of income and approval of expenditure	Annually	Review of internal controls in place and their documentation.

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4	Failure to respond to electors' wish to right of inspection	Loss of confidence.  Loss of reputation	L	H	Operating protocols set by Government & external auditor	Annually	Approach by elector to auditor
5	Poor document control	Information not passed on in a timely manner.  Deadlines missed.  Lack of achievement	L	M	Clear job descriptions	Annually	Major incident Complaints

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6	Failure to ensure that the Council complies with law in particular: *Health and Safety *Equal Opportunities *Data Protection *Human Rights *Disability Discrimination *Employment Law *Racial Discrimination	Fines and Penalties from regulation bodies  Loss of reputation	L	H	Clear policies and procedures  Regular review of law.  Training	Annually	Following incident
7	Failure of the provision of services being carried out under agency/partner agreements with principal authorities	Loss of reputation  Poor public image	L	M	Clear statement of management responsibility for each service when first taken on.	Annually	Review of adequacy of insurance cover provided by suppliers
8	Failing to ensure that all business activities are within legal power	Illegal expenditure	L	H	Recording in the minutes the precise power under which expenditure is being approved	Monthly	Review of minutes to ensure legal powers in place, recorded and correctly applied.

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9	Failure to provide proper, timely and accurate reporting of Council business in the minutes	Confusion and misunderstandings  Actions not reflecting the intentions of Council	M	H	Draft Minutes published within 10 working days after the meeting. Approval by Committee/Parish Council. Minutes properly numbered. Master copy kept in safekeeping	Approximately Monthly	Check minute numbers run consecutively.
10	Failure to meet the laid down timetables when responding to consultation invitation	Affect reputation.  Ineffectual involvement	L	L	Agenda to state closing date for responses.	Annually	Consultation question Non participation
11	Council lacks relevant skills and commitment	Council fails to achieve its purpose. Decision making bypasses Council. Poor value for precept money.	L	H	Training for Councillors  Close review of attendance	Annually. Especially at first intake of new Councillors  Every meeting	SCAPTC training reminders
12	Council becomes dominated by one or two individuals.	Conflicts of interest. Pursuit of personal agendas. Decisions made outside Council	L	H	Clear Standing Orders regarding conduct of meeting and conflict of Interests	Annually	Adverse press articles. Complaints Incidents at meetings

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13	Councillors benefiting from being on the Council	Affect reputation  Conflicts of Interest	L	M	Clear Standing Orders Code of Conduct SI 2007 No.1159 adopted May 2007. Standards Board guidance issued to all members.	All meetings	Adverse press articles
14	Failure to register Members' interest, gifts etc	Member could make inappropriate gains  Could affect reputations	L	M	Procedures in place for recording and monitoring Members' interests and gifts	Monthly	Complaint about members
15	Lack of maintenance of Council owned property	High cost of repair. Injury to third party leading to claims. Damage to property.	L	H	Regular routine inspections.  Maintenance when required.  Insurance cover	Annually	Unexpected incident

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16	<p>Damage or loss to Council owned property by third party or act of God</p> <p>Insufficient protection of physical assets owned by the Council – furniture, play equipment, benches etc.</p> <p>Legal liability as a consequence of asset ownership</p>	<p>High cost of repair</p> <p>Loss of Assets</p> <p>Disruption</p> <p>Damage to public property or person</p>	<p>M</p> <p>L</p> <p>M</p> <p>L</p>	<p>L</p> <p>M</p> <p>M</p> <p>H</p>	<p>Insurance cover</p> <p>Good fire alarm.</p> <p>Maintain an up to date register of assets</p> <p>Regular maintenance arrangements for physical assets</p> <p>Annual review of risk and adequacy of insurance cover</p>	Annually	<p>Police report or damage report</p> <p>View asset register</p> <p>Review of management arrangements regarding insurance cover (loss or damage)</p>

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17	Damage to third party property or individual due to service or amenity provided	Claim against Council	L	L	Public Liability Insurance  Comprehensive event planning. Regular checks of facilities. Ensure all amenities/facilities are maintained to appropriate level	As required	Review of Insurance cover provided.
18	Loss of funds through fraud or dishonesty	Loss of reputation	L	H	Clear financial procedures. Adequate insurance cover (Fidelity Guarantee)	Annually	
19	Inadequacy of Precept. Failure to ensure the adequacy of the annual percept is within the sound budgeting arrangements	Services not provided. Lack of confidence in Council. Inability to carry out functions. Insufficient funds for contingencies	L	M	Regular in-year budget progress reports.	At least 4-monthly reviews.	Unexpected emergency

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20	<p>Problems due to borrowing or lending.</p> <p>Failure to provide sufficient banking arrangements, including borrowing or lending.</p>	<p>Inability of Council to repay a loan</p>	L	L	<p>Include in annual budget.</p> <p>Clear Standing Orders</p> <p>Prepare &amp; adopt codes of practice prior to taking out a loan.</p>	Review as required	<p>Review of internal controls in place and their documentation</p> <p>Review of minutes to ensure legal powers</p>
21	<p>Failure to use grants for intended purposes</p> <p>Failure to ensure the proper use of funds granted to local community bodies under specific power or under S137</p>	<p>Lack of funds for project for which grant was intended</p> <p>Investigation into the use of funds</p>	L	L	<p>Clear minutes. Ensure funds ring fenced.</p> <p>Clear financial procedures</p> <p>Record clearly in minutes.</p> <p>Obtain signed agreement from organisation.</p> <p>Maintain a separate record for s137 expenditure</p>	Annually	Review of minutes



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22	Loss of records	Services not provided? Inability to carry out functions? Loss of historical records (irreplaceable)	L	H	Copies of all important documentation issued to Cllrs. Ensure regular backups undertaken (copies to be kept in separate locations)	Annually	Incident.
23	Cyber Security	Loss of sensitive information  Loss of funds  Lack of confidence in the Council  Disruption of services	L	H	Use a good quality paid for Anti-virus.  Full firewalls in place.  Encryption on the hard drives in place, to prevent access if the computers are stolen	Annually	Incident