

RISK ASSESSMENT AND INTERNAL CONTROLS FOR BAUGHURST PARISH COUNCIL

2024

AREA	RISK	IMPACT	LIKELIHOOD	LEVEL	CONTROL OF RISK	MEANS OF CONTROL
Assets	Protection of physical assets against damage or theft	5	2	10 Medium	<ul style="list-style-type: none"> Play equipment are insured. Asset register. Inspection regime. Land is registered with the Land Registry. 	<ul style="list-style-type: none"> Insurance policy reviewed annually by Full Council and internal auditor. Asset register reviewed annually by Full Council. Asset register and insurance policy updated when required. Issues reported to Full Council if/when required. Office receives and action reports from members of the public regarding assets.
	Maintenance of play areas and open spaces	5	2	10 Medium	<ul style="list-style-type: none"> Weekly and annual inspections. Adequate repair and maintenance programme in place. Budgeting for maintenance annually. Insurance in place. Professional contractors used for works. 	<ul style="list-style-type: none"> Weekly inspections carried out by an employed contractor and Councillor, Quarterly inspections by specialist company and annual inspections by independent professional contractor. All inspection reports are circulated to Full Council and records are available for inspection. Medium and high risks are actioned accordingly. Adequate budget for repairs. Insurance policy reviewed annually. Evidence of adequate insurance by contractors is requested and kept on file.
Finance	Banking	5	2	10 Medium	<ul style="list-style-type: none"> A number of bank accounts are held to ensure that all funds are protected by the Financial Services Compensation Scheme (FSCS) 	<ul style="list-style-type: none"> RFO appointed. Statements are received monthly, and the bank reconciliations and statements are reconciled with Rialtas verified by the Full Council monthly and signed

					<ul style="list-style-type: none"> • Dual signatories for banking transactions. • Online banking with 2 Councillors finishing the payment process. • Internal controls. • Financial Regulations. • The internal auditor has been appointed to carry out an audit report and risk assessment of the financial systems and internal controls. • Insurance in place. • Internal and external auditor. • Account held with BDBC 	<ul style="list-style-type: none"> • and dated by a Councillor • Annual review of Financial Regulations. • Account signatories to be reviewed and approved annually by Full Council. • Annual review of the internal controls and risk assessment. • Quarterly review of the Actual to Budget by Full Council. • A payment list is presented to Council and two Councillors are appointed to finish the process. • RFO can only transfer to a nominated account.
	Financial controls	4	2	8 Low	<ul style="list-style-type: none"> • RFO appointed. • Financial Regulations. • Internal and external auditors appointed. • Use of account package – Rialtas. 	<ul style="list-style-type: none"> • Financial Regulations reviewed annually. • Annual review by internal and external auditor and their reports to be presented to the Full Council. • Signatories on the accounts to be reviewed annually. • Clerk to present quarterly the actual to budget expenditure to the Full Council. • The use of direct debits is to be renewed by resolution of the Council at least every 2 years. • Monthly bank reconciliation to be prepared by the Clerk, verified by Full Council and signed and dated by a Councillor. • Two Councillors to verify the invoices presented for payment and to sign the payment sheet. Payments are set up by the Clerk and finished by two Councillors.

	Banking Loss of cash through theft or dishonesty	5	1	5 Low	<ul style="list-style-type: none"> Regular payments are encouraged to be via bank transfer. Petty cash is not kept. Fidelity Guarantee insurance in place to cover all money held by the Council. 	<ul style="list-style-type: none"> References to be obtained for officers. Insurance documents reviewed annually by Full Council.
	Comply with HMRC regulations	5	2	10 medium	<ul style="list-style-type: none"> VAT returns are submitted quarterly. Use of accounts package. External payroll provider used. Internal and external auditor appointed. HMRC helpline used if necessary. Professional advisors used if necessary. 	<ul style="list-style-type: none"> VAT returns are reconciled with all bank accounts and reported to the Council. Payroll is checked by the internal auditor. Seek advice from HMRC, internal audit or SLCC/HALC if needed. Seek professional advice for new projects.
	Reduction in income	3	1	3 Low	<ul style="list-style-type: none"> Budget preparation annually. Training available and encouraged for officers and Councillors. Details of earmarked reserves in the budget. Use of accounts package. Financial Regulations. Contracts in place with contractors. Precept set annually Rate for Pineapple field set annually 	<ul style="list-style-type: none"> Salary budgets to be reviewed at least annually in October for the following financial year. Final budget and proposed precept to be approved by the Full Council during the January meeting. Quarterly review of expenditure against the budget and explanation of material variances. Asset register reviewed and updated annually. Training records kept for officers and Councillors. Reserves reviewed annually and changes in earmarked reserves are approved by Full Council. Full Council to approve subscriptions annually. All fees are reviewed annually. Contracts are issued for 3 years and retendered following Financial Regulations. Regular inspection of assets.
	Risk to third party, property or individuals	3	3	9 Low	<ul style="list-style-type: none"> Insurance cover for public liability in place. Risk assessments. Tree survey and maintenance in place. Ensure all contractors have adequate 	<ul style="list-style-type: none"> Annual review of insurance by Full Council. Annual review of risk assessments. Tree surveys carried out every 3 years. Memorial inspection every 5 years. Officers to request insurance documents and

					<p>insurance.</p> <ul style="list-style-type: none"> • Hire agreements in place for use of sports facilities • Weekly and annual checks 	<p>riskassessments from all contractors.</p> <ul style="list-style-type: none"> • Training requirements reviewed regularly. • A Contractor and Councilor to carry out weekly inspections on the play areas. Reports are reviewed, work actioned if needed and records filed. Quarterly Inspections carried out by a Contractor. The annual report is carried out by an independent play inspector. The reports are circulated to Full Council.
	Employment issues	4	2	8 Medium	<ul style="list-style-type: none"> • Clerk employed with contract of employment • Compliance with employment law • HR Committee. • As a member of Hampshire Association of Local Councils (HALC), National Association of Local Councils (NALC) and Society of Local Council Parish Clerks (SLCC) their advice can be sought. • Employers liability insurance cover • Health and Safety policy • Comply with HMRC regulations 	<ul style="list-style-type: none"> • Policies to be reviewed annually. • Professional advice to be requested when needed. • Training available • Insurance documents reviewed annually by Full Council. • External payroll company, checked by internal auditor
	Contractors	4	3	12 Medium	<ul style="list-style-type: none"> • Standing Orders. • Contracts in place. • Performance to be monitored by Clerk and Councillors 	<ul style="list-style-type: none"> • Standing Orders to be reviewed annually by the Council. • Contracts to be reviewed annually by the Clerk and reported to the Council prior to renewal. • Inadequate performance to be reported to the Council immediately following detection for a resolution.
Council	Councillors' obligation to declare DPIs	5	1	5 Low	<ul style="list-style-type: none"> • Councillors to complete Declaration of Pecuniary Interests(DPI) forms. • DPIs to be declared at meetings when necessary. • Councillors to inform the Clerk of any gifts andhospitality received. 	<ul style="list-style-type: none"> • Councillor DPI forms available on BDBC's website with a link from the Council's website. DPIs to be updated when necessary. • DPIs to be noted in the minutes. • Records to be kept of gifts and hospitality received.

Council acting improperly	5	1	5 Low	<ul style="list-style-type: none"> • Code of Conduct. • Standing Orders, Financial Regulations, Terms of Reference for Committees and Policies. • Training for Councillors and officers available and encouraged. • Legal expenses, fidelity guarantee and libel and slander insurance cover in place. • All documents relating to Council business to be held in the office in an orderly system and destroyed according to the Document Retention Policy. • Advice available from HALC, SLCC and NALC. • Internal auditor appointed 	<ul style="list-style-type: none"> • The approved Code of Conduct should be followed and reviewed and updated on a regular basis. • Parish Clerk to advise the Council to ensure it is complying with relevant legislation. • Breaches to the Code to be reported to the Monitoring Officer. • Standing Orders, Financial Regulations, Terms of Reference, Complaints Procedure and all other policies are reviewed and approved annually. • Council decisions are clearly minuted and the minutes are kept for future reference. • Training available for officers and Councillors. • The Transparency Code is adhered to • Insurance documents reviewed annually by the Full Council. • Parish Clerk to seek advice when needed. • Internal auditor appointed. • Registered with ICO
Discrimination	5	1	5 Low	<ul style="list-style-type: none"> • Equality and Diversity Policy. 	<ul style="list-style-type: none"> • The Council will endeavor not to discriminate in any of its dealings and actions. • Equality and Diversity policy reviewed annually. • Promotion of Civility and Respect Pledge.
Data Protection	4	2	8 Low	<ul style="list-style-type: none"> • The Council is registered with the Information Commissioner. • Data Protection Policy. • FOI requests handled within regulatory time frame 	<ul style="list-style-type: none"> • Annual renewal of registration to be confirmed at a Council meeting. • Annual review of Data Protection Policy. • The Council complies with the GDPR and will make other relevant changes to the way it conducts its business to comply • Clerk to report FOI requests to Council and follow process

	Loss of records	3	2	6 Low	<ul style="list-style-type: none"> • Documents stored on OneDrive. • Use of locked cabinets. • Data Protection Policy. • Document Retention Policy. 	<ul style="list-style-type: none"> • Electronic files are stored in the Cloud. • Council documents are held according to the Document Retention Policy. • Premises secured at all times. • Data Protection Policy is reviewed annually. • Document Retention Policy reviewed annually. • Proper handover and induction for new officers.
	Loss of key officers	3	3	9 Low	<ul style="list-style-type: none"> • Training. • Careful planning of holidays. • In the absence of officers, a Councillor or Locum Clerk will provide cover. • Annual appraisals. • Employment Contracts. • Record of passwords. • Insurance. • Membership of HALC and SLCC. 	<ul style="list-style-type: none"> • All holiday requests to be made with notice. • Proper handover and inductions for new officers. • Appropriate notice period in employment contracts. • Grievances to be dealt with swiftly and according to approved policies. • Records stored appropriately.
	IT failure	5	2	10 medium	<ul style="list-style-type: none"> • All data is stored on OneDrive. • All computers are password protected. • Data Protection Policy. 	<ul style="list-style-type: none"> • Officers to protect passwords. • All devices have anti-virus software. • Annual review of Data Protection Policy. • All documents to be stored in locked cabinets.
	Business Continuity	5	2	10 Medium	<ul style="list-style-type: none"> • Insurance. • Member of HALC. • Parish Clerk is a member of SLCC. • Risk assessments. • Record of passwords. 	<ul style="list-style-type: none"> • Insurance Policy reviewed annually. • On-going officers training. • Risk assessments updated annually. • Officers to follow national rules and guidelines.

Inability of Council to make decisions due to national crisis	1	5	5 low	<ul style="list-style-type: none"> • Adequate banking arrangements. • Website. • Social Media. 	<ul style="list-style-type: none"> • Annual review of Business Continuity. • Annual review of bank signatories. • Website updated regularly with polices and information. • Social Media kept up to date.
Ensuring activities are within legal powers	5	2	10 medium	<ul style="list-style-type: none"> • Clerk employed. • Budget for training. • Advice available from HALC, NALC and SLCC. • Insurance in place for legal expenses, fidelity guarantee and libel and slander. 	<ul style="list-style-type: none"> • Parish Clerk to clarify legal position on any new proposals when required. • Legal advice to be sought where necessary. • Standing Orders and Financial Regulations reviewed annually.
Proper and timely reporting via the minutes	3	2	6 Low	<ul style="list-style-type: none"> • The Full Council meets every month. Committees meet asper the meeting schedule. Minutes of all the previous meetings are always received, approved and signed by theChairman of the Council/Committee. Minute are numbered correctly. 	<ul style="list-style-type: none"> • Minutes are added to the website when circulated to Councillors and updated when approved. • Hard copies of the approved minutes and appendices arestored in the minute file or archived.

15 and over – high risk	10-14 – medium risk	Under 10 – low risk
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