

Selling Parish Council – Risk Assessment Management

Adopted: June 2025

Reviewed:

Area	Risk(s) Identified	Risk Level H/M/L	Potential Impact H/M/L	Management/Control of Risk	Review/Action Required
Finance					
Precept	Inaccurate setting of precept level realising demand on reserves.	Low	High	Draft budget based on current figures and planned expenditure. Different precept options given with effect on council tax explained. Draft budget and precept considered and agreed by full council each year.	Maintain existing procedures.
Budget	Inadequate budget preparation leading to inability to fulfil obligations. Overspend of budget. Loss of income or unforeseen major expenditure.	Low	High	Draft budget based on current figures and planned expenditure. Budget considered and agreed by full council each year. Budget monitoring undertaken quarterly and any issues highlighted. Reserves kept at a level enabling continuity of service in the event of unforeseen major expenditure. Trained clerk and cllrs.	Review budget during course of financial year. Take steps to amend budget if necessary. Encourage cllrs to undertake finance training.
Cash	Loss of income or unforeseen major expenditure leading to cash flow problems.	Low	Low	Ensure adequate reserves. Ensure adequate insurance cover.	Maintain existing procedures.
VAT	Errors in calculation. Payments not reclaimed.	Low	Medium	Internal audit checks VAT reclaims. Trained clerk. Regular VAT reclaims made. Cllrs monitor.	Maintain existing procedures.
Payments	Goods not supplied but invoiced. Invoices incorrect. Invoices unpaid.	Low	Medium	All invoices recorded and filed on receipt. Invoices checked for accuracy and for receipt of goods and services. Two signatories on payments and initialling of invoices.	Maintain existing procedures.
Annual return	Inability to conduct year end close on time/not submitted on time.	Low	Medium	Internal audit booked early and draft annual return checked as part of process. Annual return standing agenda item at annual meeting. Trained clerk and cllrs.	Maintain existing procedures.

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Cheque books	Loss of cheques. Fraudulent use.	Low	High	No blank cheques signed. Fidelity insurance.	Maintain existing procedures.
Banking	Bank errors and/or inadequate checks leading to financial irregularities.	Low	Medium	Bank reconciliation carried out each month.	Maintain existing procedures.
Grants	Mismanagement of powers. Grants not spent in accordance with application received.	Low	Low	Formal applications only considered and legalities and budget adhered to. Applicants monitored to ensure spend is in accordance with application. Trained clerk and cllrs.	Maintain existing procedures. Encourage cllrs to undertake training.
Reserves	Loss through theft or dishonesty. Loss through bank failure.	Low	High	Systems of internal control at meetings, including checking of invoices, cheque book and bank statements. Fidelity insurance. Reserves in bank protected by FSCS up to £85,000.	Maintain existing procedures.
Election costs	Inability to meet costs.	Medium	Low	Provision made in budget four yearly. Reserves sufficient to cover costs if required.	Maintain existing procedures.
Tenders/quotes	Best value not achieved.	Low	Medium	Financial regulations detail procedures to be followed.	Maintain existing procedures.
Insurance	Inadequate cover or over insurance increasing costs unnecessarily.	Low	High	Annual review of insurance with brokers. Annual review of asset values as part of audit procedures. New assets added to insurance schedule when necessary. Insurance includes fidelity guarantee and employer's liability.	Review insurance and asset register annually.
Financial controls and records	Inadequate records leading to financial irregularities.	Low	Medium	Annual internal audit with report presented to council and any issues considered. Systems of internal control at meetings, including checking of invoices, cheque book and bank statements.	Maintain existing procedures.
Salaries	Incorrect payments to staff. Payments not made to HMRC.	Low	Medium	Use of HMRC Basic PAYE Tools. Internal audit and internal control at meetings. Chair checks timesheet regularly. End of year HMRC statement presented to council.	Chair or other nominated cllr to undertake checks of PAYE software.
Councillor allowances	Non-payment of tax.	Low	Low	Councillors do not receive allowances at present.	No action required.

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Governance					
Meetings	Inability to meet due to lack of quorum. Failure to advertise.	Low	Low	Ensure all positions are filled where possible, through election or co-option. All meetings advertised in accordance with legislation.	Maintain existing procedures.
Councillor propriety	Failure to declare interests or incomplete register. Failure to act within the Code of Conduct.	Medium	Medium	Regular reminders to members. Standing agenda item at every meeting. New cllrs complete DPI form on taking office. Code of Conduct issued to new clls and reviewed annually.	Maintain existing procedures.
Breach of media policy	Comments from council or public on social media breaching media policy.	Medium	Low	Facebook page monitored regularly and inappropriate comments removed.	
Assets					
Street lighting Defibrillators Street furniture	Inadequate protection of physical assets. Inadequate security of physical assets.	Medium	High	All assets on asset register and insured. Street lighting checked regularly by maintenance contractor. Defibrillators checked monthly by clerk. Other assets checked by cllrs in regular walkabouts.	Review insurance policy annually. Discuss issues highlighted by street lighting contractor at meetings.
Maintenance of above assets	Inadequate maintenance of physical assets.	Low	Low	Regular maintenance of street lighting carried out by contractor. Maintenance of other assets carried out as necessary and when identified by regular checks.	Introduce annual inspection of assets to minimise risk of failings and assist in setting maintenance budget.
Data					
Councillor/staff propriety	Breach of confidentiality.	Medium	Medium	Regular reminders to members/staff. Cllrs have council email addresses. Clerk trained in GDPR and FOI.	Encourage cllrs to undertake GDPR and FOI training.
Computer records	Loss of data through system error or theft.	Low	High	Data stored in Dropbox (online storage facility). Chair keeps passwords in sealed envelope. Fidelity insurance.	Consider regular backups of data to HDD.

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Computer failure	Viruses, loss, theft, damage.	Medium	Medium	Up to date anti-virus software maintained and regular scans performed. All data stored in Dropbox (online storage facility). Computer and all accounts password protected. All sensible precautions taken to minimise risk.	Maintain existing procedures.
Liability					
Third parties	Risks to third party, property or individuals.	Medium	Medium	Public liability insurance in place.	Review insurance cover annually. Risk assessments of individual events.
Staff/volunteers	Compliance with employment law. Health & Safety.	Medium	Medium	Employer liability insurance in place. Health & Safety policy in place.	Review insurance cover and H & S policy annually.
Legal	Conduct of council business is ultra vires.	Medium	Low	Clerk verifies legal position for any new proposal, clerk receives training as necessary.	Legal advice to be sought where required.