

## **NORMANTON-ON-TRENT WITH MARNHAM PARISH COUNCIL – RISK ASSESSMENT REVIEW**

### **Mission Statement:**

To provide services for, and manage and maintain the assets of, the parishes of Normanton-on-Trent, High Marnham, Low Marnham and Skegby, within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents and obtaining value for money.

|                                   |   |   |
|-----------------------------------|---|---|
| <b>Date Reviewed</b>              | - | <b>May 2025</b>   |
| <b>Assessment carried out by</b>  | - | <b>Cllr A Winfrow (Chairman) and Mrs R Jeffries (Clerk)</b> |
| <b>Reported to Parish Council</b> | - | <b>20<sup>th</sup> May 2025</b>                             |
| <b>Minute Reference</b>           | - |   |
| <b>Date to be Reviewed</b>        | - | <b>May 2025</b>   |

### **KEY:**

**I/M (Importance to Mission Statement)** - **1 = Minor Importance, 2 = Important, 3 = Very Important**

**RISK (Risk of Non-Achievement)** - **1 = Low Risk, 2 = Medium Risk, 3 = High Risk**

**SCORE (Risk Rating/Score)** - **(I/M x RISK) 1 – 3 = Low Risk, 4 – 6 = Medium Risk, 7 – 9 = High Risk**

|    | <b>AIM</b>   | <b>RISK</b>  | <b>METHOD USED TO MINIMISE RISK</b>  | <b>PERSON RESPONSIBLE</b>   | <b>I/M</b> | <b>RISK</b> | <b>SCORE</b> |
|----|--|--|--|-----------------------------|------------|-------------|--------------|
| 1. | To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct. | Lack of knowledge of regulations and codes.  | Ensure that all Councillors have access to copies of relative Acts, Code of Conduct, Standing Orders and Financial Regulations. Highlight essential parts and provide training where possible. | Chair Clerk                 | 2          | 1           | 2            |
|    |  | Absence of standing orders.  | Ensure that Standing Orders are produced, understood by councillors and reviewed at least once per year.   | Chair Clerk                 | 2          | 1           | 2            |
|    |  | Actions by PC outside its powers laid down by Parliament.  | As above, but ensure that powers are highlighted or extracted into effective summary.  | Chair Clerk                 | 2          | 1           | 2            |
|    |  | Lack of commitment to regulations and procedures.  | Regular reference to appropriate regulations in agenda items. Delegation of responsibilities to individual councillors.  | Chair All Councillors Clerk | 3          | 2           | 6            |
|    |  | Items purchased without proper tendering procedures, resulting in accusations of commercial favouritism. | Ensure all councillors are aware of regulations re estimates and full tender procedures. Introduce practice of estimates for all purchases over an agreed figure (£300).                       | Chair Clerk                 | 1          | 1           | 1            |
|    |  | Payments made without prior approval and adequate control.   | Ensure all payments are approved in Council meetings and recorded in minutes. Keep cash payments to a minimum and avoid if possible.   | Chair Clerk                 | 2          | 1           | 2            |
|    |  | Lack of control of signatories to cheques.   | Keep authorised signatories to a minimum consistent with practicalities.   | Chair Clerk                 | 2          | 1           | 2            |
|    |  | VAT not properly accounted for, resulting in overclaims and large demands from Customs and Excise.       | Ensure appropriate publications held and that Clerk has good knowledge of regulations.   | Chair Clerk                 | 2          | 2           | 4            |

***OVERALL RISK – LOW***

|    |   |   |   |       |   |   |   |
|----|---|---|---|-------|---|---|---|
| 2. | To identify and regularly review the Council's priorities | Lack of knowledge of how to set objectives, set priorities and identify risks to their achievement. | All councillors to be made aware of need for objectives and identification of risk. Attend training sessions if practicable.  | Chair | 2 | 2 | 4 |
|    |   | Lack of commitment by council members.  | Add risk assessment to agenda at least annually, reviewing particular items, and results against those items.                 | All   | 2 | 1 | 2 |
|    |   | No risk analysis carried out.   | As above. Ensure that the completion of the risk assessment is given high priority, as a requirement of the Audit Commission. | All   | 2 | 1 | 2 |
|    |   | No steps taken to combat identified risks.  | Add risk assessment to agenda at least annually, reviewing particular items, and results against those items.                 | All   | 2 | 1 | 2 |

***OVERALL RISK - LOW***

|    |  |  |   |       |   |   |   |
|----|--|--|---|-------|---|---|---|
| 3. | To influence other council departments and Government organisations to fulfil the requirements of the parish population. | Lack of effective lines of communication with other organisations. | Note all communication lines which are essential or beneficial and make information available to all councillors. Establish contacts by name and where possible face-to-face.                     | Clerk | 2 | 1 | 2 |
|    |  | Lack of effective lines of communication with parishioners.        | Take every opportunity to publicise role of Parish Council. Effective use of notice boards, parish magazines and 'fliers'. Use key issues to raise profile of PC and to test parishioners' views. | All   | 2 | 2 | 4 |
|    |  | Lack of preparation on subjects requiring influence.               | Ensure that all councillors are aware of need for careful research and are guided as to where to obtain relevant information on issues under discussion.  | All   | 2 | 1 | 2 |
|    |  | Lack of confidence by Parish Councillors.                          | Experienced councillors to assist newcomers to establish essential contacts. Delegate responsibility for specific contacts to individual councillors.   | Chair | 2 | 2 | 4 |

***OVERALL RISK - MEDIUM***

|    |   |  |  |       |   |   |   |
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| 4. | To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all possible risks. | Lack of knowledge of possibility of capability of councillors.                             | Creation of standing orders and familiarisation with those where greatest risk occurs. | All   | 2 | 1 | 2 |
|    |   | Lack of education of councillors regarding culpability.                                    | As above. Attend any training courses available.                                       | All   | 1 | 2 | 2 |
|    |   | Inadequate insurance cover taken out – property, personal liability, employer’s liability. | Review risk assessment and insurance requirements annually by including on PC agenda.  | Clerk | 2 | 1 | 2 |

**OVERALL RISK – LOW**

|    |   |   |   |       |   |   |   |
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| 5. | To keep appropriate books of account accurately and up-to-date throughout the financial year. | Lack of knowledge of accounting procedures.   | Ensure all councillors are familiar with current financial regulations and include them in standing orders. Regularly review standing orders.             | All   | 2 | 2 | 4 |
|    |   | Lack of commitment to accounting requirements.  | RFO to produce financial reports at meetings. Internal audit reports to be made available to all councillors and any recommendations to be acted upon.    | Chair | 2 | 1 | 2 |
|    |   | Bank charges unnecessarily incurred.  | RFO to carry out regular inspection of books of account. Internal audit to be undertaken.   | Chair | 1 | 1 | 1 |
|    |   | Failures and inaccuracies in recording amounts, totals in books of account, and bank reconciliations. | RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Internal audit to be undertaken.       | Chair | 3 | 2 | 6 |
|    |   | Inaccuracies and interest losses caused by account transfers.   | Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account.                              | Clerk | 1 | 1 | 1 |
|    |   | The most beneficial interest terms not being employed.  | Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts. | Clerk | 1 | 1 | 1 |
|    |   | Inadequate control of cash receipts and payments.   | Avoid cash payments and receipts if possible. Use properly controlled petty cash account if necessary.  | Clerk | 1 | 1 | 1 |

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|--|--|--|---|-------|---|---|---|
|  |  | Books of account not kept up-to-date/invoices not posted promptly. | Financial reports at all PC meetings.   | Clerk | 2 | 1 | 2 |
|  |  | Internal controls not in place or not operated.                    | Financial reports at all PC meetings.   | Clerk | 2 | 1 | 2 |
|  |  | Payments missed or delayed due to inadequate filing of invoices.   | Financial reports at all PC meetings.   | Clerk | 1 | 1 | 1 |
|  |  | Clerk taken ill or leaves without replacement.                     | Appoint councillor as RFO to be familiar with all aspects of financial matters. | Chair | 3 | 2 | 6 |

**OVERALL RISK - LOW**

|    |  |  |   |     |   |   |   |
|----|--|--|---|-----|---|---|---|
| 6. | To ensure that payments made from council funds and the use of assets, represent value for money, are adequately managed, and comply generally with the wishes of the residents. | Lack of knowledge of wishes of residents.                        | Take every opportunity to publicise role of Parish Council. Effective use of notice boards, parish magazines and 'fliers'. Use key issues to raise profile of PC and to test parishioners' views. | All | 3 | 1 | 3 |
|    |  | Use of funds not giving value for money.                         | Effective budget planning processes. Creation of annual plan after consultation process.  | All | 2 | 2 | 4 |
|    |  | Use of funds not in accordance with the wishes of the residents. | Effective budget planning process. Creation of annual plan after consultation process.  | All | 2 | 1 | 2 |

**OVERALL RISK -MEDIUM**

|    |  |   |  |       |   |   |   |
|----|--|---|--|-------|---|---|---|
| 7. | To ensure that the annual precept requirements results from an adequate budgetary process; progress against the budget is regularly monitored, and reserves are appropriate. | Lack of knowledge of budgetary process, and council requirements. | Include regulations in standing orders issued to all councillors. Include budget on agenda early in year.  | All   | 2 | 1 | 2 |
|    |  | Lack of commitment to budgetary process.                          | As above. Involve all councillors in budgetary process not solely the clerk.   | All   | 2 | 1 | 2 |
|    |  | Inadequate requirements for annual precept.                       | Place on agenda early in year to remind councillors of budget process and actions required. Create annual plan (+ 2/3 years plans) to assist in process. | Clerk | 2 | 2 | 4 |

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|  |  | Calculation not in accordance with council regulations.             | Checks by Internal Auditor.  | Clerk | 2 | 1 | 2 |
|  |  | Inadequate internal controls with regard to monitoring expenditure. | Checks by Internal Auditor. Report budget progress at PC meetings. | Clerk | 2 | 1 | 2 |
|  |  | Reserves too low.   | Checks by Internal Auditor. Report budget progress at PC meetings. | Clerk | 2 | 1 | 2 |

***OVERALL RISK - MEDIUM***

|    |   |  |   |       |   |   |   |
|----|---|--|---|-------|---|---|---|
| 8. | To explore all possible sources of income and to ensure that expected income is fully received. | Lack of knowledge of possible sources of income e.g. grants. | Appoint a councillor as grants officer to gain experience of all grants available and application procedures. | All   | 1 | 2 | 2 |
|    |   | Lack of commitment to pursue possible sources of income.     | As above.   | All   | 1 | 1 | 1 |
|    |   | Receipts not banked promptly.                                | Internal audit checks.  | Clerk | 1 | 1 | 1 |
|    |   | Debts not pursued promptly.                                  | Internal audit checks.  | Clerk | 1 | 1 | 1 |
|    |   | VAT claims not made promptly or made incorrectly.            | Ensure Clerk has appropriate and up-to-date VAT official publications. Internal audit checks.                 | Clerk | 1 | 2 | 2 |

***OVERALL RISK – LOW***

|    |  |   |   |                |   |   |   |
|----|--|---|---|----------------|---|---|---|
| 9. | To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations, and adequately monitored. | Inappropriate rate of pay to employees.   | Ensure employee regulations are available and understood by Clerk. Internal audit checks. | Clerk<br>Chair | 2 | 1 | 2 |
|    |  | Tax and NI arrangements not in accordance with regulations.                             | As above.   | Clerk<br>Chair | 2 | 1 | 2 |
|    |  | Amounts paid to contractors not in accordance with contract and inadequately monitored. | Internal audit checks. Appoint councillor to monitor contract work carried out.           | Chair          | 1 | 1 | 1 |

***OVERALL RISK – MEDIUM***

|                                     |   |   |   |                |   |   |   |
|-------------------------------------|---|---|---|----------------|---|---|---|
| 10.                                 | To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.                                     | Lack of knowledge of Council regulations and procedures.                                    | Include financial regulations in standing orders.<br>Attend training seminars where available.  | Clerk<br>Chair | 2 | 2 | 4 |
|                                     |   | Late or non-submission of annual accounts.  | Include a timetable in standing orders.   | Clerk          | 2 | 1 | 2 |
|                                     |   | Year end accounts not prepared, inaccurate, or not in accordance with Council requirements. | Internal audit checks.  | Clerk          | 2 | 2 | 4 |
|                                     |   | Inadequate audit trail from records to final accounts.                                      | Internal audit checks.  | Clerk          | 2 | 1 | 2 |
| <b><i>OVERALL RISK - MEDIUM</i></b> |   |   |   |                |   |   |   |
| 11.                                 | To identify, value, and maintain all the assets of the Parish Council, and ensure that asset and investment registers are complete, accurate and properly maintained. | Lack of knowledge of assets of Parish Council.  | Ascertain and record all assets for which Parish Council is responsible. Create permanent asset register.   | Clerk          | 2 | 2 | 4 |
|                                     |   | Assets lost or misappropriated.   | Establish who is responsible for security and maintenance of each asset. Appoint councillor for regular monitoring of location and use of assets. | Chair          | 1 | 1 | 1 |
|                                     |   | Inadequate or inaccurate valuation of the council's assets.                                 | Arrange for periodic review of valuations. Internal audit checks.   | Clerk          | 1 | 1 | 1 |
|                                     |   | Asset register not established or inadequately maintained.                                  | Create asset register in accordance with Audit Commission requirements.   | Clerk          | 2 | 2 | 4 |
| <b><i>OVERALL RISK - MEDIUM</i></b> |   |   |   |                |   |   |   |
| 12.                                 | To comply with appropriate Government legislation regarding disability, racial equality, safeguarding children etc.   | Lack of knowledge of applicable legislation.  | Clerk to have access to appropriate legislation.<br>Review liabilities and responsibilities periodically at PC meetings.                          | Clerk          | 1 | 1 | 1 |
|                                     |   | Lack of public awareness of applicable legislation.   | Include, as appropriate, in any public consultations.   | Clerk          | 1 | 1 | 1 |

|                                     |   |   |   |                                 |                     |                     |                     |
|-------------------------------------|---|---|---|---------------------------------|---------------------|---------------------|---------------------|
|                                     |   | Failure to comply with applicable legislation.  | Clerk to have access to appropriate legislation.<br>Review liabilities and responsibilities periodically at PC meetings.  | Clerk                           | 1                   | 1                   | 1                   |
| <b><i>OVERALL RISK - LOW</i></b>    |   |   |   |                                 |                     |                     |                     |
| 13.                                 | To carry out adequate safety checks on all buildings, properties, and equipment for which the council is responsible. | Lack of information on properties, buildings and equipment.<br><br>Lack of knowledge on safety requirements.<br><br>Lack of commitment to carrying out safety checks. | Ensure Clerk has access to current legislation.<br>Include in asset register all properties for which PC responsible.<br><br>Ensure Clerk has access to current legislation.<br>Include on agenda at regular intervals.<br><br>As above. Delegate responsibility for particular properties to individual councillors. | Clerk<br><br>Clerk<br><br>Chair | 1<br><br>2<br><br>2 | 2<br><br>2<br><br>2 | 2<br><br>4<br><br>4 |
| <b><i>OVERALL RISK - MEDIUM</i></b> |   |   |   |                                 |                     |                     |                     |