

## Chorley Parish Council

### Risk Assessment 18/19

<b>Identified Risk.</b>	<b>Potential consequences of risk.</b>	<b>Assessment of impact (H/M/L).</b>	<b>Likelihood of risk occurring (H/M/L).</b>	<b>Controls in place to manage risk.</b>	<b>Required action.</b>
Loss or damage of physical assets owned by the Council.	Asset unable to be used. Expense of replacing asset.	H	L	Asset register. Secure storage. Insurance cover.	Regular review by the Full council of assets and the level of insurance.
The risk of damage to third party property or individuals as a consequence of the Council providing services or amenities to the public.	Risk of litigation should an individual or third party property become injured or damaged.	H	M	Public liability insurance.	Level of cover is adequate existing and upon renewal of insurance
Loss of cash through theft or dishonesty.	The Council may be unable to provide its services. Damage to the reputation of the Council.	H	L	Monthly bank reconciliations are carried out. Internal audit carried annually. There is a separation of duties between the payment of	Regular review of the processes by the full council.

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				accounts and the maintenance of financial records.	
Security and amenities or equipment	Risk of loss of council records or property.	H	L	Regular backup of hard drives. Additional copies held off site. GDPR audit compliance	Regular review by the full council.
Banking arrangements including borrowing or lending.	Unexpected bank charges.	L	L	Monthly bank reconciliations are carried out.	Budget monitored monthly by the Full council.
Failure to keep proper financial records in accordance with statutory requirements.	Qualification of the accounts by the external auditor.	M	L	Income and expenditure account is maintained throughout the year. Files are maintained listing all invoices and receipts in date order.	Regular review by the full council.
Failure to ensure all business activities are within legal powers applicable to local	Ultra-vires expenditure could lead to local elector challenge. Possible	M	L	All payments are authorised by the council at Full Council meetings and	Full council (monthly)

councils.	external auditor investigation/public			reported in the relevant minutes.	
	Interest report. This would result in increased fees and bad publicity for the Council.			The minutes identify the powers under which unusual or significant expenditure is incurred. Regular review by the full council.	
Employment of staff.	Injury to staff. Employment related litigation. Penalty payments to HMRC.	M	M	Employers' Liability Insurance. Contract of Employment and Job description. On-line RTI to HMRC. Regular review by the Finance Committee.	Implement an annual review by the full council.
Failure to ensure all requirements are met under Customs and Excise regulations.	Entitlement to reclaim of VAT for a period may be lost.	M	L	VAT is analysed separately in the income and expenditure account. VAT invoices are retained. VAT returns are submitted annually.	
Ensuring the adequacy of the	The Council would not be able to meet	H	L	The Council sets a budget annually in	Regular review by the full council.

annual precept within sound budgeting arrangements.	its objectives due to lack of funds.			the annual budget meeting. Actual expenditure against budget is monitored.	
Failure to ensure the proper use of funds granted to local community bodies under specific powers or under s137.	Improper use of public funds.	L	L	All grant applications are reviewed by the full council.	Annual review of the grants procedure by the full council.
Improper, untimely and inaccurate reporting of council business in the minutes.	The Council could be open to challenge if they do not have an accurate record of any decision taken.	L	L	Minutes are taken at each Council meeting by the Clerk. These are properly numbered and are approved at the next Council meeting. A signed master copy is retained by the Parish Clerk.	
Failure to respond to electors wishing to exercise their rights of inspection.	An elector could complain if they are not able to exercise their right of inspection.	L	L	A notice is posted on Council notice boards notifying electors of their right to inspection of the accounts during the inspection period. Details available on the CPC website.	

Improper document control.	Increased fee from internal auditor or external auditor if there is a poor audit trail.	L	L	All documents are filed. There is an audit trail from income and expenditure account with supporting documentation.	
Failure to keep a Register of Members' Interests and gifts and hospitality in place, complete, accurate and up to date.	Possible complaint by an elector.	L	M	The CEC Code of Conduct has been adopted by the Council. All members have completed a Disclosure of Registerable Interests document.	Councillors to review the Registerable Interests documents annually or when there is a change of individual circumstances.
Failure to comply with changes to GDPR legislation changes	Data breach Privacy breach SAR Rights of Data subjects	M	M	GDPR Audit completed and Data Protection officer Appointed New data protection policy and documents retention policy implemented and reviewed.	Need to ratify new council privacy policy, grants data consent holding form. Adopt methods of working to ensure compliance with GDPR. To be reviewed by the full council.

Adopted by CPC on 23<sup>rd</sup> May 2018 2018 Minute Ref: 18/64

