

THORPE ON THE HILL PARISH COUNCIL RISK REGISTER

To be completed annually and presented at Annual Parish Council Meeting

Risk Status Indications

The adopted risk management methodology uses a traffic light colour against each risk item to confirm its current status.

The colour coding is defined as follows:

- This identified risk is being effectively managed with adequate reviews, processes and/or documentation as appropriate.

- *As applicable, either*

This identified risk is being managed. However, there are aspects of risk management, which ought to be improved to achieve a green status. It is recognised that sometimes improvements may be difficult to achieve and remedial work may take time (e.g. a need for Councillor training).

or

This identified risk is not under adequate management. However, if this risk arises, it will have a minimal impact upon the Council. Whilst attempts can be made over time to improve the management of this risk, there may be occasions where the cost of mitigation is not warranted (e.g. holding spare parts or equipment).

- This identified risk, which has a serious potential impact upon the Council is not under adequate management. This represents a key risk, which will be highlighted to meetings of the Council until such time that it is adequately managed or mitigated. Certain key risks with a low probability may be entirely beyond the management control capability of the Council – such risks may retain a red status upon the agreement of Council.

To provide services for, and manage and maintain the Council assets of, the village of Thorpe on the Hill, within the resources provided by the annual precept and other incomes, taking into account the wishes of the residents and obtaining value for money.














Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status ● ● ●
1. To ensure compliance with Acts of Parliament, other legislation, the Council's Standing Orders, Financial Regulations and Code of Conduct.	a. Lack of knowledge of regulations and codes.	Ensure that all Councillors have copies of or access to relevant information, a copy of the adopted Code of Conduct, Financial Regulations and Standing Orders and a copy of the latest edition of the Good Councillors Guide. Highlight essential parts and provide specific training where possible.	Clerk All councillors	●
	b. Absence of Standing Orders	Ensure that Standing Orders are produced, understood by councillors, and reviewed at least once per year.	Clerk All councillors	●
	c. Actions by the Council outside its powers as set out by Parliament.	As at 1a above, but ensure that, as necessary, powers are highlighted or extracted into an effective summary.	Clerk All councillors	●
	d. Lack of commitment to regulations and procedures.	Regular reference to appropriate regulations in agenda items. Appropriate delegation of responsibilities to councillors and committees. Compliance with appropriate procedures.	Clerk All councillors	●
	e. Items purchased without proper tendering procedures, resulting in accusations of commercial favoritism.	Ensure that all councillors are aware of regulations regarding estimates and full tender procedures. Introduce practice of estimates for all purchases over an agreed figure.	Clerk All councillors	●
	f. Payments made without prior approval and adequate control.	Ensure all payments are approved in accordance with the Financial Regulations and properly recorded.	Clerk All councillors	●
	g. Lack of control of signatories to cheques.	Keep authorised signatories to a minimum but consistent with practicalities.	Clerk All councillors	●

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status ● ● ●
<i>continued</i>				
1. To ensure compliance with Acts of Parliament, other legislation, the Council's Standing Orders, Financial Regulations and Code of Conduct.	h. VAT not properly accounted for, resulting in over-claims and large demands from HMRC.	Ensure appropriate publications held and that Clerk/RFO has a good knowledge of regulations.	Clerk Finance Portfolio Holder	●
2. To identify and regularly review the Council's priorities and risks.	a. Lack of knowledge of setting objectives, setting priorities, and identifying risks to their achievement.	All councillors to be made aware of need for objectives and identification of risk. Attend training sessions and refresher training.	Clerk All Councillors	●
	b. Lack of commitment by council members	Add risk assessment to agenda annually, reviewing particular items, and results against those items.	Clerk All Councillors	●
	c. No risk analysis carried out.	As at 2a above. Ensure that completion of the risk assessment is given high priority, as a requirement of the Audit Commission	Clerk All Councillors	●
	d. No steps taken to combat identified risks	As at 2b above.	Clerk All Councillors	●
	e. An inadequate complement of councillors to manage the business of the council	All councillors to strive to work in a constructive manner in accordance with the Code of Conduct and to welcome and encourage new councillors. All councillors to cooperate to share the workload.	All Councillors Clerk NKDC	●
3. To influence others, such as Lincolnshire County Council, North Kesteven District Council and other Government organisations to recognise the requirements and interests of the local population. <i>continues</i>	a. Lack of effective lines of communication with other organisations.	Note all communication lines which are essential or beneficial and establish/maintain contacts by name and where possible face-to-face.	Clerk All Councillors	●











Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status ● ● ●
<i>continued</i>				
3. To influence others, such as Lincolnshire County Council, North Kesteven District Council and other Government organisations to recognise the requirements and interests of the local population.	c. Lack of preparation on subjects requiring influence.	Ensure all councillors are aware of need for careful research and are guided as to where to obtain relevant information.	Clerk All Councillors	●
	d. Lack of confidence by Parish Councillors.	Experienced councillors and Clerk to assist newcomers to understand roles and responsibilities, to establish essential contacts and to gain procedural awareness.	Clerk All Councillors	●
4. To ensure that all councillors are aware of their responsibilities, and possible liabilities, and to provide adequate insurance cover for all likely risks.	a. Lack of knowledge of possible culpability of councillors.	Creation of Standing Orders and Code of Conduct and familiarisation with those matters where greatest risk occurs.	Clerk All Councillors	●
	b. Lack of education of Councillors regarding culpability.	Experienced councillors and Clerk to assist newcomers to understand culpability. To attend training courses and refresher training as available (see LALC annual training scheme).	Clerk All Councillors	●
	c. Inadequate insurance cover taken out – property, personal liability, employer’s liability.	Review risk assessment by including on agenda annually.	Clerk All Councillors	●
	d. Councillors fail to declare interests and participate in inappropriate decision making, which has a material impact upon the decisions taken and the public perception of the Council.	All councillors to be reminded to abide by the Code of Conduct and the register of interests and to be alert to potential breaches of both. As far as is possible, the Clerk to ensure the register of interests are complete and up to date.	Clerk All Councillors NKDC	●
5. To keep appropriate books of account accurately and up-to-date throughout the financial year. To maintain secure banking facilities.	a. Lack of knowledge of accounting requirements	Ensure all councillors are familiar with current Financial Regulations. Regularly review Standing Orders and Financial Regulations. Ensure all Councillors are aware of the lack of cover under the Financial Services Compensation Scheme.	Clerk All Councillors	●
	b. Lack of commitment to accounting requirements.	As at 5a above. Clerk/RFO to produce financial reports at all Council meetings. Internal audit reports to be made available to all councillors and any recommendations to be acted upon promptly.	Clerk Internal Auditor	●
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Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status
<i>continued</i>				
5. To keep appropriate books of account accurately and up-to-date throughout the financial year. To maintain secure banking facilities.	c. Bank charges unnecessarily incurred	Clerk/RFO to carry out regular inspection of books of account. Internal audit to be undertaken every six months.	Clerk Finance Portfolio Holder	●
	d. Inaccuracies in recording amounts and totals in books of account. Bank reconciliations not carried out.	Clerk/RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required.	Internal Auditor Clerk Finance Portfolio Holder	●
	e. 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.	All Councillors Clerk Internal Auditor	●
	f. To ensure that the banking facilities of the Council are secure and offer value for money.	Using information available in the public domain, the Clerk/RFO to periodically review the Councils banking arrangements in respect of achieving both value for money and security, but noting that changing accounts may itself incur some risks.	All Councillors Clerk Internal Auditor	●
	g. Books of account not kept up to date/ invoices not posted promptly.	Regular checks by RFO and internal auditor. Financial reports at all Council meetings.	Clerk Finance Portfolio Holder Internal Auditor	●
	h. Internal controls not in place or not operated.	Regular checks by Clerk/RFO and internal auditor. Financial reports at all Council meetings.	Clerk Internal Auditor	●
	i. Payments missed or delayed.	Regular checks by Clerk/RFO and internal auditor. Financial reports at all Council meetings.	Clerk Internal Auditor	●
<i>continues</i>				

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status ● ● ●
<i>continued</i> 5. To keep appropriate books of account accurately and up-to-date throughout the financial year. To maintain secure banking facilities.	k. RFO taken ill or leaves without replacement	The internal auditor can be called upon for advice. Other Officers and Councillors to be familiar with all aspects of financial matters. Local Procedures to exist to explain processes. Electronic payments will be unavailable, but cheque payments can still be made as usual. Other staff can be paid by cheque. Electronic bank statements are available to other on line users (3 Councillors).	Clerk Internal Auditor Parish Councillors with authorised access.	●
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.	a. Lack of knowledge of wishes of residents.	As at 3b above Ensure residents and other stakeholders (i.e. local organisations) are consulted on major financial issues, which impact upon them.	All Councillors Clerk	●
	b. Use of funds not giving value for money.	Effective budget planning processes and appropriate tendering. Creation of a rolling plan for projects and maintenance expenditure.	All Councillors Clerk	●
	c. Use of funds not in accordance with the wishes of the residents.	As at 2a above. As at 6a above.	All Councillors Clerk	●
	d. Charges for use of facilities inadequate or excessive.	Effective financial management by Clerk/RFO. Internal audit checks.	All Councillors Clerk	●
	e. Fund raising not properly controlled or not in accordance with regulations.	All councillors to be aware of need to check regulations before commencing fund-raising activities. Effective financial management by Clerk/RFO.	All Councillors Clerk	●
7. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.	a. Lack of knowledge of budgetary process, and of Council regulations.	Ensure regulations are issued to all councillors. Place item on agenda early in year to remind councillors of budget process and actions required. Encourage councillor training. Delegate responsibility for managing the initial budgetary process to the Clerk/RFO.	All Councillors Clerk	●
	b. Lack of commitment to budgetary process.	As at 7a above	All Councillors	●

<i>continues</i>		Involve all councillors in budgetary process, not solely the Clerk/RFO.		
Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status   
<i>continued</i>				
7. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.	c. Inadequate consideration of requirements for annual precept.	Place item on agenda early in year to remind councillors of budget process and actions required. Delegate responsibility for managing the initial budgetary process to the Clerk/RFO. Start budget build in November well ahead of submission date.	All Councillors Clerk	
	d. Calculation not in accordance with Council regulations.	Checks by Clerk/RFO and Internal Auditor.	Clerk Internal auditor	
	e. Inadequate internal controls with regard to monitoring expenditure.	Checks by Clerk/RFO and Internal Auditor. Financial and budget progress reports to all Council meetings.	Clerk Internal auditor All Councillors	
	f. Reserves too low	The general reserve (not earmarked) to be at least 25% of typical annual income or as otherwise advised by the Clerk/RFO / Internal auditor.	Clerk All Councillors	
8. To explore all possible sources of income, and ensure that expected income is fully received.	a. Lack of knowledge of possible sources of income e.g. grants.	Encourage training and conference attendance to gain experience of all grants available and application procedures.	All Councillors Clerk	
	b. Lack of commitment to pursue possible sources of income.	As at 8a above.	All Councillors Clerk	
	c. Maximise rental income	Charge appropriate rates. Market facilities.	All Councillors Clerk	
	d. Receipts not banked or not banked promptly.	Regular checks by Clerk/RFO and Council. Internal audit checks.	Clerk Internal audit	
	e. Debts not pursued promptly.	As at 8c above.	Clerk	

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status
<i>continued</i>				
8. To explore all possible sources of income, and ensure that expected income is fully received.	f. VAT claims not made promptly or made incorrectly.	Ensure Clerk has appropriate and up-to-date VAT official publications. Regular checks by Clerk/RFO. Internal audit checks.	Clerk Finance Portfolio Holder	●
9. To ensure that salaries paid to employees and amounts paid to contractors are paid in line with Council regulations and budget and statutory legislation. Ensure payments are adequately monitored.	a. Inappropriate rate of pay to employees.	Ensure employee regulations are available and understood by Clerk. Checks by Clerk/RFO. Internal audit checks.	Clerk Staffing Committee Internal audit	●
	b. Tax and NI arrangements not in accordance with regulations.	As at 1 above.	Clerk Staffing Committee Internal audit	●
	c. Amounts paid to contractors not in accordance with contract and inadequately monitored.	Checks by Clerk/RFO and internal audit.	Clerk Internal audit	●
10. To ensure that year end accounts are prepared on the correct accounting basis, on time, and	a. Lack of knowledge of Council regulations and procedures.	Compliance with Financial Regulations and Standing Orders. Attend training seminars where available.	Clerk All Councillors	●

supported by an adequate audit trail. <i>continues</i>	b. Late or non- submission of annual accounts.	Compliance with the instructions of the External auditor. Clerk/RFO to monitor progress against timetable and report to Council meetings.	Clerk Internal auditor All Councillors	
Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status   
<i>continued</i>				
10. To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.	c. Year end accounts not prepared, inaccurate, or not in accordance with Council requirements.	Checks by Clerk/RFO. Internal audit checks.	Clerk Internal auditor All Councillors	
	d. Inadequate audit trail from records to final accounts.	As at 10c above.	Clerk Internal auditor All Councillors	
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.	a. Lack of knowledge of assets of Parish Council.	Ascertain and record all significant assets for which Parish council is responsible. Create and maintain a permanent asset register.	All Councillors Clerk	
	b. Assets lost or misappropriated	Establish who is responsible for security and maintenance of each asset. Regular monitoring of location and use of assets.	All Councillors Clerk	
	c. Inadequate or inaccurate valuation of the council's assets.	Arrange for periodic review of valuations and arrange for professional valuation where necessary. Internal audit checks. <i>[Note that the Annual Return now requires original asset values not current values.]</i>	All Councillors Clerk	
	d. Asset register not established or inadequately maintained.	Create asset register in accordance with Audit Commission requirements.	All Councillors Clerk	

Aim	Risk	Method used to Minimise Risk	Person(s) Responsible	Status   
12. To carry out adequate checks in respect of the safety, licensing and integrity of all Council buildings.	a. Lack of or inadequate programme of regular safety checks (fire safety, electrical safety, gas boilers, emergency lighting etc).	Ensure that all necessary checks are properly performed by suitably accredited people in a timely manner in accordance with an agreed schedule. Ensure that hot water temperatures are not excessive.	Caretaker/Clerk	
	b. Excessive utility bills caused by water leaks, excessive heating, electrical appliances unnecessarily left switched on. Property damage caused by leaks.	Regular property checks. Regular monitoring of utility bills to assess consumption levels. Prompt attention to minor repairs and leaks.	Caretaker/Clerk	
	d. Building safety hazards (e.g. trip hazards, faulty door closers, sharp projections, broken glass)	Regular property checks. Prompt attention to hazards/problems once identified. Prompt attention to issues raised by building users, Officers and contractors.	Caretaker/Clerk	
	e. Compromised building security (e.g. broken window) or integrity (e.g. leaking roof).	As for 12d above	As for 12d above	
	f. Inadequate winter preparations causing freezing of pipes and water damage.	As for 12d above	As for 12d above	
	g. Inappropriate heating of water causes a Legionella outbreak	Water heating to be in accordance with current advice to minimise the risk of a Legionella outbreak. Regular checks that settings are maintained at appropriate levels.	As for 12d above	

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13. To carry out adequate safety and integrity checks on the bowling green and the tennis courts.	a. Lack of or an inadequate programme of regular safety checks (e.g. trip hazards).	Regular checks by the Portfolio Holder. Prompt attention to hazards/problems once identified. Prompt attention to issues raised by facility users.	Clerk Portfolio Holder	●
	b. Damage to the sports facility due to compromised security.	Regular checks by the Portfolio Holder. Prompt attention to problems once identified. Prompt attention to issues raised by facility users,	Clerk Portfolio Holder	●
14. To carry out adequate safety checks on the public open space and street furniture owned by the Council.	a. The lack of or an inadequate programme of maintenance allows the persistence of safety hazards (e.g. trip hazards, dangerous trees, faulty gates, faulty seats, faulty bins etc).	Regular checks. Prompt attention to hazards/problems once identified. Prompt attention to issues raised by all users. Engagement of suitable contractors to conduct ongoing maintenance works (including the periodic professional checking of trees).	Clerk Portfolio Holder	●
15. To carry out adequate safety checks on the children's play areas operated by the Council.	a. An inadequate programme of safety inspections and maintenance (or vandalism) results in an accident and/or an award of damages.	Weekly safety inspections by Portfolio Holder backed up by an annual inspection by an accredited playground inspector. Prompt attention to hazards/problems once identified. Ongoing maintenance. Professional specification and installation of equipment. An ongoing programme of equipment replacement as necessary.	Clerk Portfolio Holder	●
	b. The lack of or an inadequate programme of maintenance of the immediate surrounding area allows the persistence of a safety hazard (e.g. trip hazard, sharp object, faulty gate).	Regular checks by the Portfolio Holder. Prompt attention to hazards/problems once identified. Prompt attention to issues raised by all users. Engagement of suitable contractors to conduct ongoing maintenance works.	Clerk Portfolio Holder	●

Date adopted - 06 December 2023

Review date – as require, minimum annually