Coxheath Parish Council – Risk Assessment 2025-2026

<u>Risks</u>

This is a high-level risk assessment for the Council to highlight key area of risk where the Parish Council has full or partial responsibility for managing or mitigating risk.   The Parish Council's aim is to manage risks in a thoughtful and realistic manner. Since resources, such as staff and Members time, are limited it is necessary to set priorities.

<u>Methodology</u>

Risks have been assessed using an industry standard approach. This risk assessment deals with strategic risks only. Each risk is scored using the table below which assesses the potential consequences with the likelihood of the risk happening. The resulting risk score then indicates the appropriate level of priority to be given to any mitigation against that risk.

<u>Risk score matrix</u>

		Consequences		
		Minor 3	Moderate 2	Major 1
Likelihood	Probable A			
	Possible B			
	Improbable C			

Key	Green Low Risk	Yellow Medium Risk	Red High Risk

Subject	Risks Identified	Likelihood	Consequences	H M L	Control of Risks	Review / Actions
Financial and Management						
Precept	Adequacy of precept	C	1	M	• Sound budgeting to under-lie the annual budget and precept requested. The budget is considered by the Finance Committee at the November meeting. It is then presented to Full Council for approval.	• Timetable for decision for 2026/2027 precept
	Precept request not submitted to MBC	C	1	M	• The precept request is submitted by the RFO in writing to MBC. • Confirmation of receipt is shared with Chairman of the Finance Committee	
	Amount not received	C	1	M	• The RFO/Clerk informs Full Council of any issues	
Financial Records	Inadequate records	C	2	M	• Accounts are prepared using excel • Accounts are presented each month to Full Council • The need for a computerised accounting package regularly reviewed	
	Financial irregularities	C	2	L	• The Council has Financial Regulations which set out legal requirements • An internal audit is carried out by an independent auditor • External audit undertaken and findings reported to Council.	
Payroll	Errors Fraud	B	2	M	• An external payroll provider calculates all payroll • PAYE & NIC reported to HMRC by the payroll provider. Report presented to Full Council. • Monthly payment of all PAYE & NIC as calculated by the payroll provider	
Bank and banking	Income not banked in a timely manner Not covered by £120,000 guarantee	B	3	L	• Members of the Finance Committee are signatories and can view and authorise payments but not submit. • Funds will be moved to spread risk. • Investment of reserves to be regularly reviewed • Debtors encouraged to pay by BACs.	• Monitor performance of saving accounts

Subject	Risks Identified	Likelihood	Consequences	H M L	Control of Risks	Review / Actions
	Unapproved online transfers and payments made	B	2	M	• Councillors to review and approve all payments made at each Full Council meeting • Invoices/documentation provided for every payment and payment list signed by Chair • 2 councillors required to authorise payments online and for signing cheques • Alternative bank accounts considered and regularly reviewed.	
	Bank mistakes / loss / charges	B	2	M	• Monthly bank reconciliations undertaken and errors discovered and addressed • Bank reconciliation signed as correct at each Full Council meeting.	
Reporting and auditing	A surplus or deficit builds up	B	2	M	• Receipts and payments and bank reconciliations prepared monthly and circulated to Full Council for their review • Signatories regularly review bank balances • Monthly review of accounts compared to budget circulated to Full Council	
Direct costs	Goods not supplied but billed	B	2	M	• Invoices checked by Full Council prior to payment being arranged	
Grants payable	Power to pay	B	2	M	• Legal Power checked prior to each payment. If no power available then Section 137 considered. • Records of Section 137 payments kept and minuted accordingly.	
	Authorisation from council	C	3	L	• All grants applications are considered by Full Council and minuted.	
Staff	Fraud	B	2	M	• Fidelity guarantee insurance in place and conditions adhered to • Regular checks on all financial information • Payments lists authorised by Full Council • Audit reports submitted to Full Council • Clerk has on View and Submit access to bank accounts • Monthly bank reconciliations checked	

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Cyber Attack or Incident	Systems ie laptops, routers, cloud based systems offline for a period of time Loss of data or compromised Impacting on the ability of the Council to operate Safeguarding and data protection issues Financial impact – potential fine and cost of rectifying	C	1		• List firewall and scanning programmes on laptops and routers • List if known firewall and scanning programmes to third party systems ie cloud based and web systems	• Ensure laptop system software and application software is updated • Ensure router system software is updated automatically • Check robustness of IT Disaster recovery procedures
Election costs	Unbudgeted costs due to contested election	B	3	L	• Council agreed to take any costs out of reserves during the budgeting process in 2025/2026	
VAT	Unclaimed VAT	B	3	L	• Invoices to be made out to Coxheath Parish Council • Regular claims made and reconciled to receipts and payment accounting. • VAT Return submitted at least annually • Staff trained in claiming VAT and council finances	
Annual Return	Late submission	B	2	M	• Approval procedure in place for internal audit and approval of the return. • Clerk to provide evidence of an internal audit to include a report	
	Incorrect information submitted	B	3	L	• Robust regular financial accounts are prepared • Staff trained in council finances	

Subject	Risks Identified	Likelihood	Consequences	H M L	Control of Risks	Review / Actions
Physical Assets						
Assets & inventory	Loss or damage to equipment	B	2	M	• Asset register in place and reviewed at least annually • Insurance reviewed annually against asset register and insured replacement values	
Maintenance of playground equipment	Damage to equipment or injury to staff or third parties	B	2	M	• Regular inspection routine in place carried out by a RoSPA qualified technician. • Damage reported and addressed at the earliest opportunity. • Public liability insurance cover in place	
Council records – paper	Security of information Loss from theft, fire, other damage	B	2	M	• All paper records kept in a locked cupboard • Critical documents are scanned and stored electronically	• Staff to keep minimal amount of documents at their homes
Council records – electronic	Security of information Loss from theft, fire, other damage	B	2	M	• Data is stored on the Council laptops/tablets and in the cloud • The PC laptop is stored in the Clerk's home	• Review back up procedure and consider offsite options
GDPR	Data breach	B	2	M	• Data audit undertaken • Personal data stored on paper kept in a locked cupboard • Council laptops/tablets secured with a password • Personal data shared with councilors kept to a minimum •	• Undertake audits • Review policies and procedures • Train new staff and councilors in policies and procedures
Web accessibility	Noncompliance with regulations	B	2	M	• Minutes, agendas and notices published within statutory timescales • Discosable Pecuniary Interests of councilors published on the website • The website template is compliant with regulations	

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Liability						
Legal powers	Illegal activity or payments	C	2	L	• All new activity or payments to be considered by Full Council and resolved and minuted at Full Council meetings	
Minutes / agendas / statutory documents	Inaccurate minutes Noncompliance with statutory requirements	C	2	L	• Minutes prepared by the Clerk • Accuracy of the minutes is checked by the Chairman of the council / committee at the earliest opportunity after the meeting. Then minutes are shared with all councilors and queries raised if appropriate • Minutes are approved at the next meeting	
Members interests	Conflict of interest	B	2	M	• All new councilors given the form to complete. Returned to MBC by the Clerk • Register of interests published on the website • A standard item on every agenda for the declaration of interests	
Breach of Health and safety regulations	Injury to staff / councilors / contractors Damages claims	B	2	M	• Public and Employers Liability insurance in place • Lone Workers Policy in place • Health & Safety Policy in place	• Undertake an annual review of policies and procedures
Breach of Employment legislation	Loss of staff Tribunal claims	B	2	M	• Retain the services of an external HR Consultant to advice as necessary • All staff have signed contracts.	
Breach of contractual obligations	Damages claims Unintended consequences of the contract Loss of reputation	B	2	M	• All contracts prepared in conjunction with legal advice.	
Trees	Damage to property Injury to third parties	B	2	M	• Bi-annual Visual Tree Assessments undertaken by qualified contractor • Regular inspections undertaken • Tree survey undertaken.	