

**MIDDLETON-CUM-FORDLEY PARISH COUNCIL  
RISK ASSESSMENT - DECEMBER 2022**

Risk assessment is a general and systematic examination of financial, people, environmental and community responsibility management factors. This table has been produced to ensure that the Parish Council has identified and assessed the risks it faces in each of these four areas and then satisfied itself that adequate steps have been taken to manage and minimise the key risks. In order to help prioritise risk management effort, the risks have been categorised into three levels: high (H), medium (M) and low (L).

Subject	Risk(s) Identified	Risk Level H/M/L	Management of Risk	Review/Assess/Revise?
<b>FINANCIAL RISKS</b>				
<b>Precept</b>	Inadequate precept  Changed or reinforced precept requirements	L  L	<p>In the first instance, East Suffolk Council (ESC) advises the Parish Council (PC) of the Council Tax base rate, which is effectively the amount of money that every £1 of Council Tax raises from all property taxation for allocation to parish purposes in any one year through the PC.</p> <p>To determine the amount of precept required by the PC annually, the Clerk and the Finance Working Group prepare an annual budget taking into account past and current expenditure, future projects requiring investment or expenditure, current bank balances and debtors and creditors. The Finance Working Group then determines from these data the amount of precept they consider is required from ESC and makes a recommendation to the PC which then formally resolves to approve the precept. The Clerk, as the PC’s Responsible Financial Officer, then submits a formal, written request for the precept to ESC.</p> <p>The PC is advised every April of the annual precept figure which is then transferred by BACS payment in one instalment into the PC’s Business Money Manager bank account. The Clerk formally advises the PC of the receipt of these funds at the next available meeting.</p> <p>If the Government or any of its agents were to change the rules under which precepts are set or calculated, we must assume this would require an act of Parliament or local government legislation which would afford the PC sufficient time to mitigate any change.</p>	Existing procedures are deemed adequate.  Existing procedures are deemed adequate.
<b>Financial and general business</b>	Overspending or failure to maintain adequate reserves	M	The PC has determined and ratified that it will maintain financial reserves of approximately six months’ recurring revenue expenditure and that it will seek to protect these reserves through judicious management of expenditure and low-risk fund raising.	Existing procedures are deemed adequate.
<b>Financial</b>	Inadequate	L	The PC operates under strict financial regulations, guidelines and	Existing procedures are

<b>records</b>	records		processes, which set out the requirements and framework under which it must work. A copy of these financial regulations is readily available from the Clerk. The PC adopted SALC's Model Financial Regulations, tailored to the Council, in February 2019.	deemed adequate.
<b>Banking</b>	Inadequate checks on receipts, payments and balances	<b>M</b>	<p>The PC maintains two bank accounts – A Business Money Manager Account and a Community Account. The Precept is paid into the Business Money Manager Account and the Clerk pays all other monies received into the Community Account. Transfers are made for payments from the Business Money Manager Account to the Community Account.</p> <p>Payments are made online using internet banking from the Community Account by one authorised signatory. Where this is not available, payments are made by cheque drawn on the Community Account and signed by one authorised signatory, in line with the current mandate.</p> <p>Reserves may be transferred from the Business Money Manager Account to the Community Account via online bank transfer by one authorised signatory to meet high levels of expenditure.</p> <p>The Council verifies the accuracy of the payments made by online bank transfer by reviewing the most recent bank statement at monthly meetings. Council is mindful of NALC's guidance over repealed Section 150(5) of the Local Government Act 1972, in that Councils must not relinquish the 'two-member signatures' control over cheques and other orders for payment until they have put in place safe and efficient arrangements.</p> <p>The Clerk prepares quarterly bank reconciliations when the relevant statements are received to ensure all receipts, payments and transfers are properly recorded and any variations are reported immediately. The quarterly bank reconciliations are reviewed and signed by a non-signatory and approved at a quorate PC meeting.</p> <p>The Clerk reviews the bank mandate following any change to the membership of the PC.</p>	Existing procedures are deemed adequate.
<b>Financial controls</b>	Inadequate processes or checks	<b>L</b>	<p>All payments must be notified, approved and clearly minuted by members at regular and quorate PC meetings and supported by invoices or other appropriate documentation. Computerised spreadsheets are kept. The Cash Book is kept up to date and referenced to the underlying records. The PC's legal power to make each payment is recorded in the minutes. An Internal Controls Statement is completed and reviewed annually by the</p>	Existing procedures are deemed adequate.

			PC.	
<b>VAT</b>	Maintain records and claim refunds within set time limits	L	Under current HMRC legislation, the PC is able to reclaim all VAT paid on goods and services at the relevant rate. The Clerk calculates the VAT paid by analysing all invoices using the PC's accounting spreadsheets and retains all VAT receipts with PC records for HMRC inspection, if necessary. The Clerk makes VAT refund claims to HMRC twice yearly to recover the tax paid and all claims against invoices are fully audited each year.	Existing procedures are deemed adequate.
<b>Internal Audit</b>	Management	L	The PC annually appoints the Suffolk Association of Local Councils to conduct its internal audit.	Existing procedures are deemed adequate.
<b>Annual return</b>	Incomplete and/or not submitted within required time limits	L	The Annual Governance and Accountability Return is completed by the Responsible Financial Officer, approved by the PC and signed by the Chairman. Where the higher of gross income or gross expenditure does not exceed £25,000 in a financial year, the PC certifies itself as exempt from a limited assurance review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015. An exemption certificate is provided to the External auditors.	Existing procedures are deemed adequate.
<b>Fraud</b>	Fraudulent placement of contracts for services or supply of goods  False expense claims or unpermitted payments	L	It is the duty of every member of the PC and the Clerk to ensure that the highest standards of public service are attained and that everyone adheres to the strict rules and guidelines set on the procurement and purchase of services. It is also the duty of the PC to ensure it obtains the optimum value-for-money on behalf of its community in the purchase of goods and services from all its funds in the main through competitive and confidential tendering. The PC adopted SALC's Model Financial Regulations, tailored to the Council, in February 2019. The Fidelity Guarantee value is appropriately set and reviewed annually by the PC.	Existing procedures are deemed adequate.
<b>Insurance</b>	Inadequate cover  Cost	L	A review is undertaken at the time of the annual policy renewal to ensure that the terms of the policy remain acceptable and that all known risks and assets are adequately protected. Further competitive quotes are obtained if deemed appropriate at renewal.	Existing procedures are deemed adequate.
<b>Election costs</b>	Election costs	M	This risk is higher in an election year. General reserve to be maintained at a level sufficient to cover election expenses if necessary.	Existing procedures are deemed adequate.
<b>GOVERNANCE RISKS</b>				
<b>Data Protection</b>	Mis-use of personal information	L	The PC is registered as a Data Controller with the Information Commissioner's Office. The Clerk has attended Data Protection Act, Freedom of Information and GDPR training courses delivered by SALC and ESC. The PC has adopted a Document Retention Policy, a Subject	Existing procedures are deemed adequate.

			Access Request Policy and Procedure, a Personal Data Audit, a Personal Data Breach Policy, a Freedom of Information Act Policy and an Information Protection Policy in line with the GDPR. A Data Protection Impact Assessment will be undertaken when deemed necessary.	
<b>Formal records of business and maintenance of statutory documents</b>	Inaccurate or incomplete minutes  PC affairs conducted illegally or improperly	<b>L</b>	Summons and Agendas of meetings are produced and issued to all Councillors within the correct time frame. The minutes of each meeting are then produced by the Clerk and issued, in draft, to the Chairman for his review in advance of the following meeting. Thereafter, the minutes are revised, if required, and approved at the next quorate PC meeting and signed by the Chairman as a full and accurate record. Signed minutes are maintained by the Clerk and kept in PC records and approved minutes are uploaded onto the PC website for public referral. Agendas and minutes of the most recent meetings are displayed on the PC notice boards within the correct time frame.	Existing procedures are deemed adequate.

<b>Meeting location</b>	Adequacy  Health & safety	<b>L</b>	The PC meetings are held at The Village Hall, Middleton which provides good meeting facilities for the whole council and opportunities for the community to engage in the meetings during each public session held. Meetings are advertised as much as possible in advance. The PC considers the facilities are adequate for all who attend from a health & safety view. Safety equipment checked.	Existing procedures are deemed adequate.
<b>Members interests</b>	Potential conflicts of interest	<b>L</b>	This is a standard agenda item at all meetings and all members of the PC are required to formally declare and register any personal or prejudicial interests they may have in respect of any matters under discussion at the outset of each meeting. A Register of Interests stated is maintained.	Existing procedures are deemed adequate and individual councillors are to continue to review and advise any changes to the Clerk.
<b>Code of Conduct</b>	New criminal offences for providing false or misleading information about or failing to register 'disclosable pecuniary interests'	<b>M</b>	The Localism Act 2011 introduced a new ethical standards regime. This requires local councils to adopt a Code of Conduct (their own version or that of the principal local authority), apply the Code to councillors and non-councillor committee members.  Middleton-cum-Fordley PC has formally adopted the LGA Model Councillor Code of Conduct 2020 in May 2022.  The Act creates new criminal offences for providing false or misleading information about or failing to register 'disclosable pecuniary interests'.	Existing procedures are deemed adequate.
<b>Official records</b>	Loss through theft/fire/damage	<b>L</b>	The PC official records and supporting documents are stored at the home of the Clerk. There is contents insurance of £2,500 for the Clerk's home	Existing procedures are deemed adequate.
<b>Electronic records</b>	Loss through theft/fire/damage or corruption/loss of computer data	<b>L</b>	The PC's electronic data and records are stored on the Council's laptop computer. There is business interruption insurance up to £500 for reconstitution of computer records.  The Council's laptop computer is synchronised to the Clerk's desktop PC with Cloud storage.	Existing procedures are deemed adequate.
<b>Councillor Competence</b>	Lack of input or support from Councillors.	<b>L</b>	The importance of the Councillors shared role and responsibilities is recognised. Involvement is ensured by regularly attending effective PC meetings. Designated Councillors have responsibility for specific areas of the parish and are represented on village groups.	Existing procedures are deemed adequate.
<b>Councillor Cover</b>	Loss or long-term incapacity of Councillors	<b>L</b>	If not enough Councillors for a quorum, District Councillors may be temporary replacements. Vacancies can be filled by co-option.	Ongoing succession planning.

<b>Clerk Health and Safety</b>	Danger to Clerk from being a lone worker.	L	Members of the public must make an appointment to visit the Clerk and, if requested by the Clerk, a Councillor must be present. If not possible, meetings must be held in a public place.	Existing procedures are deemed adequate.
<b>Clerk Cover</b>	Loss, holiday cover or long-term incapacity of the Clerk	L	Cover can be provided voluntarily by Councillors. SALC can arrange locum cover. Two weeks' notice must be given to the PC for holidays of more than one weeks' duration. Acceptable holiday periods are agreed in advance with the Chairman. Annual salary review. Support provided by Councillors and SALC.	Existing procedures are deemed adequate.
<b>Clerk Competence</b>	Incompetence	L	Training courses are provided and the Clerk is currently studying for the Certificate in Local Council Administration.	Clerk to obtain CiLCA qualification.
<b>ENVIRONMENTAL AND COMMUNITY RESPONSIBILITY RISKS</b>				
<b>Environment</b>	Degradation of the local environment	L	The PC maintains an active role in planning matters. It also strives to conserve the ecology of the parish to the best of its abilities in conjunction with Government agencies.	Existing procedures are deemed adequate.
<b>Recreation Ground</b>	Injury/Insurance Claim	L	Managed by the Trustees of the Middleton Recreation Ground (being all the currently serving members of the PC) on the advice of the Recreation Ground Working Group appointed by the PC. Monthly independent inspections of grounds/equipment by qualified inspector. High risk items highlighted – repaired/removed immediately. Medium/low risks dealt with or monitored in accordance with recommendations in the safety report. Monthly reports scrutinised by Clerk on receipt and reviewed by Council at monthly meetings. Annual independent inspection of grounds/equipment by a second qualified inspector. High risk items highlighted – repaired/removed immediately. Medium/low risks dealt with or monitored in accordance with recommendations in the safety report. Sign at entrance advises that 'Play is at own Risk' and advises calling the emergency services in the event of accident. Pavilion kept locked and monitored by CCTV. A tree safety survey was carried out in 2017. Personal accident and public liability insurance cover is in place.	Existing procedures are deemed adequate.