

# Payhembury Parish Council

## Parish Council Risk Assessment

*“The greatest risk facing a local authority is not being able to deliver the activity or services expected of the Council.”*

This document has been produced to enable Payhembury Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them. In conducting this exercise, the following plan was followed:

- Identify the areas to be reviewed
- Identify what the risk may be
- Evaluate the management and control of the risk and record all findings
- Review, assess and revise if required.

FINANCIAL AND MANAGEMENT				
Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
Business Continuity	Risk of Parish Council not being able to continue its business due to an unexpected or tragic circumstance	L	All files and recent records are kept at the Clerk’s place of work. Electronic copies are made of any paper original documents and regular back-ups of electronic files are made to an external source.	Existing procedures are adequate.
		L	In the event of the Clerk being indisposed for up to 2 weeks Cllrs to contact relevant department of EDDC or DCC for urgent requirements. All other issues to be held until Clerk’s return.	Existing procedures are adequate.
		L	In the event of the Clerk being indisposed for more than 2 weeks the Chairman should contact Devon Association of Local Councils (DALC) and ask for assistance in finding a Locum Clerk to cover the absence or until a replacement Clerk can be employed.	Existing procedures are adequate.
Precept	Adequacy of precept	L	The Parish Council receives budget information at the bi-monthly meetings. At the November meeting the Parish Council receives a draft budget report which includes current financial position, projected position to the end of year and indicative figures or costings obtained by the Clerk for the following financial year. With this information the Parish Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings. The Parish Council receives the final budget report at the January meeting where they approve the budget, the total of which is resolved to be the precept amount to be requested from East Devon District Council.	Existing procedures are adequate.

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Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
	Requirements not submitted to East Devon District Council	L	<p>The precept figure is submitted to East Devon District Council by the Clerk in writing.</p> <p>East Devon District Council send an email to each Parish Council in December providing Tax Base information and the date by which they need to receive the precept request. A reminder is also sent out in early January.</p>	Existing procedures are adequate.
	Precept amount not received from East Devon District Council	L	<p>The precept is paid by East Devon District Council on 1<sup>st</sup> April and 1<sup>st</sup> September (or the first working day after those dates). To help cover a potential late or non-payment of the precept the Parish Council aims to keep around 6 months' worth of precept in General Reserves.</p> <p>Clerk would contact East Devon District Council to chase late or non-payment of precept.</p>	Existing procedures are adequate.
Financial records	Inadequate records	L	The Parish Council has Financial Regulations which set out the requirements for maintaining financial records.	Existing procedures are adequate.  Review the Financial Regulations when necessary.
	Financial irregularities	L	Internal Auditor carries out audit annually and reports any discrepancies, which are corrected.	Existing procedure is adequate.
Bank and banking	Inadequate checks	L	<p>The Parish Council has Financial Regulations which set out the requirements for banking, cheques and reconciliation of the accounts.</p> <p>Clerk does a weekly 'light' check that bank balances are correct and that no payment authorisations are outstanding.</p>	Existing procedures are adequate.  Review Financial Regulations when necessary.  Review bank signatory list annually, especially after an election, and in-year if required.

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Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
			Clerk reconciles bank accounts quarterly when the bank statements arrive.	Monitor the bank statements quarterly.
	Bank mistakes	L	If the bank makes an error this would normally be discovered when the Clerk does the weekly 'light' check, or, if it is not obvious at that stage, when the Clerk reconciles the bank accounts quarterly; this would be dealt with immediately by informing the bank and awaiting their correction.	Existing procedure is adequate.
Cash	Loss through theft or dishonesty	L	<p>The Parish Council has Financial Regulations which set out the requirements for processing cash.</p> <p>The Parish Council rarely receives cash – occasionally from fund-raising events. Any cash received is paid into the Instant Access account with Unity Trust Bank using the paying in slips provided by them. The Parish Council is linked to the Post Office in Payhembury Provisions which is only open on a Monday afternoon. Funds are paid in as soon as possible, but a maximum of 3 weeks after receipt.</p> <p>The Parish Council's insurance policy has a Fidelity Guarantee.</p>	<p>Existing procedure is adequate.</p> <p>Review Financial Regulations when necessary.</p> <p>Ensure Fidelity Insurance is adequate.</p>
Reporting and auditing	Information communication	L	Reports presented at bi-monthly meetings showing 1) a breakdown of receipts and payments since the last meeting, 2) a schedule of receipts and payments expected before the next meeting, 3) a summary of remaining funds available against each major budget heading and 4) a rolling budget vs actual report for the current financial year to enable tracking and amending of budgets where required.	Existing procedures are adequate.
	Compliance	L	Internal Auditor carries out audit annually.	Existing procedure is adequate.
Costs / payments	Inaccurate invoice	L	The Clerk checks each invoice for receipt of goods or services and for accuracy. A cheque or BACS transfer to pay the invoice is only initiated if the invoice is correct. A copy of the correct invoice is provided to the Cllrs who have the authority to authorise payments (two authorisations are required for a payment to complete).	Existing procedure is adequate.

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Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
	Invoice received for something not approved at previous meeting	L	The Parish Council has Financial Regulations which set out the circumstances when the Clerk can initiate payment of an invoice and seek ratification at a later Parish Council meeting.	Existing procedure is adequate.  Review Financial Regulations when necessary.
Grants and support – payable	Power to pay	L	Grant requests to the Parish Council should be submitted using the Parish Council’s Grant Application form and should take into account criteria specified in the Parish Council’s Grant Awarding Policy. The Clerk will check whether a specific power exists to award the grant or whether the grant can be awarded under S137 power of expenditure.	Existing procedures are adequate.
	Authorisation of the Parish Council to pay	L	The Parish Council will review grant applications, normally annually in January, exceptionally at other times of the year. The Clerk will confirm whether any grant applications are being considered under the S137 power of expenditure and the maximum annual S137 allowance.  A list of Parish Council grants awarded are published on the Parish Council’s website.	Existing procedures are adequate.  Parish Councillors request a copy of the S137 rules if required.
Grants – receivable	Receipts of grants	L	The Parish Council does not currently receive any regular grants. Any one-off grants awarded would come with terms and conditions to be satisfied.	Existing procedures are adequate.
Charges – rentals payable	Payment of leases/rentals	L	The Parish Council currently have a 15-year lease with the Diocese of Exeter for the rental of the playing fields and tennis court. This is due for renewal in August 2026. Rent for the lease is paid 6-monthly in advance in March & September.	Existing procedures are adequate.
			The Parish Council rent the small hall in the Parish Hall on a regular bi-monthly basis for the purposes of holding Parish Council meetings. Additional Parish Council meetings are also held here as required. Rent for the use of the hall is paid annually in arrears for April to March.	
Charges – rentals receivable	Receipt of rental payment / Insurance implication		The Parish Council does not have any facilities that it can rent out.	

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Best value accountability	Work awarded incorrectly	L	As per Financial Regulations, the normal Parish Council practice would be to strive to obtain three estimates or quotes for any substantial work required to be undertaken or for goods. For major contract services, formal competitive tenders or quotes would be sought. If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation/tender, research the problem and report to Parish Council.	Existing procedures are adequate.  Review Financial Regulations regularly.
	Overspend on services	M	The Clerk will keep the Parish Council informed about budget vs actual costs via the reports presented at the bi-monthly meetings where any overspends can be addressed. Urgent or large overspends will be brought to the Parish Councillors attention between scheduled meetings and an additional meeting will be called if required.	Existing procedures are adequate.
Salaries and associated costs	Salary paid incorrectly  NB there are no risks involved with Tax or NI payments as the value of the Clerk's salary does not meet the thresholds for paying these.	L	The Parish Council only has one employee, the Clerk. The Clerk has a contract of employment which states their starting point on the National Pay Scale. Subject to acceptable performance the Clerk moves up the National Pay Scale 1 point each year taking effect from 1 <sup>st</sup> April each year, unless the Parish Council approve a rise of more than 1 spine point. The Clerk's salary is paid monthly in arrears on the 28 <sup>th</sup> of the relevant month.  The Clerk will submit relevant information via the HMRC PAYE system ensuring that the correct number of hours and the correct rate of pay are used. Changes can occur in-year due, for example, to Government increases in the rates for each spine point or in a change in the number of working hours for the Clerk.  Currently the Clerk is employed for 35 hours per month and the monthly salary for this is below the thresholds for Income Tax and National Insurance contributions. Therefore Tax and NI payments are not applicable at this time.	Existing procedures are adequate.
Employee	Fraud	L	Requirements of Fidelity Guarantee insurance adhered to with regards to fraud.	Existing procedures are adequate.

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	Health and Safety	L	The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role.	Monitor working conditions, Health and Safety requirements and insurance regularly. No separate Health and Safety policy is required when no. of employees is less than 5.  Purchase reference books where necessary. Consider membership of the SLCC.
	Clerk unavailable to work for extended period	L	Locum required – contact DALC. Cost for Locum Clerk to be paid for from General Reserves (ensure General Reserves are approximately equivalent to 6 months precept to help cover). The Clerk is currently not CiLCA trained, but it is worth considering establishing a contingency fund for CiLCA training of a new Clerk in the event of the Clerk resigning.	Procedure needs to be documented.  Consider when setting budget for next financial year.
Councillor allowances	Allowance exceeded	L	The Parish Councillors do not receive an annual allowance. A Chairman’s Allowance is in place in line with Local Government Act 1972, sections 15(5) and 35(5). The Parish Council Chairman’s Allowance Policy & Procedure states how the allowance can be used and how expenses can be claimed.	Existing procedures are adequate.
Election costs	Risk of an election cost	L	Elections are held every 4 years or if requested by the electorate when a seat on the Parish Council becomes available due to a casual vacancy. In the last 20+ years there has only been one occurrence when more than 7 people stood for election and there has never been a request for an election by the electorate. There are no measures which can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled.  Advice from EDDC in 2021/2 was that an election could cost ~£800. An earmarked fund of this value has been set aside in case the Parish Council are required to pay for an election.	Existing provision is adequate.

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VAT	Re-claiming	L	<p>The Parish Council has Financial Regulations that set out the requirements.</p> <p>The Parish Council is not registered for VAT and is able to reclaim VAT paid out. Refund claims are submitted at least annually, but normally when a claim reaches £100 or greater.</p>	Existing procedures are adequate.
Annual return	Submit within time limits	M	<p>HMRC Employer's Annual Return is completed and submitted online to the Inland Revenue within the prescribed time frame, by the Clerk.</p> <p>The Annual Return (AGAR) is completed and signed by the Council, submitted to the internal auditor for completion and signing, then checked and sent on to the External Auditor within time limit. An extension is requested if required.</p>	Existing procedures are adequate.
Council records – paper	Loss through: Theft Fire Damage	L	The Parish Council records are stored at the Clerk's place of work. Records include historical correspondence, minute books and copies, documents for the lease, records such as finance, contracts, personnel, insurance, salaries etc. Where practicable electronic copies of documents are made for backup purposes.	Damage (apart from fire) and theft is unlikely and so provision is adequate.
Council records - electronic	Loss through: Theft Fire Damage Corruption of computer	L  M	The Parish Council's electronic records are stored on the Clerk's laptop. Backups of the files are taken at regular intervals to an external source.	Existing procedures are adequate.
Documentation	Missing or out of date documentation leading to invalidation of insurance or legal challenge regarding actions of Parish Council	L	Review and update of documentation (including policies, procedures and risk assessment) as listed on document log. Add, remove or replace documents as required.	Review of documentation is underway.
Insurance	Adequacy	L	An annual review is undertaken of all insurance arrangements in place. This is normally done in April in preparation for acceptance at the APCM in May.	Existing procedures are adequate.

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Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
	Cost	L	The Parish Council currently have a 3-year insurance policy with annual rises in payments. The Parish Council review at the end of the policy to establish whether an annual or 3-year policy is most cost-effective and renew accordingly.	Existing procedures are adequate.  Review at end of policy.
	Compliance	L	Ensure compliance measures are in place.	Review of compliance.
	Fidelity Guarantee	M	Ensure Fidelity checks are in place.	Review Fidelity checks.
Data protection	Policy provision	L	The Parish Council is registered with the Information Commissioner's Office. Payment of annual registration fee set up by Direct Debit to reduce cost and ensure automatic renewal of registration.  The Parish Council have suitable GDPR policies in place, which are reviewed regularly.	Existing procedures are adequate.  Review policies as required.
Freedom of Information Act	Policy provision	L	The Parish Council has a model publication scheme for Local Councils in place. The Parish Council is able to request a fee for any information requested to cover the cost of consumables and the clerk's time.  The Parish Council have suitable FOI policies in place, which are reviewed regularly.	Monitor and report any impacts of requests made under the FOI Act.  Review policies & publication scheme as required.
Meeting location	Adequacy / Health & Safety	L	The Parish Council meetings are held in the small hall of the Parish Hall. The premises and facilities are considered adequate for the Clerk, Councillors and members of the public who attend from Health & Safety and comfort aspects.	Existing location is adequate.

LIABILITY				
Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at full Parish Council Meetings.	All activities and payments minuted.
	Working parties making decisions	L	Currently no working parties. When required they will be established with clear terms of reference.	Monitor adherence to terms of reference.
Minutes / agendas / statutory notices	Accuracy and Legality	L	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements. Minutes are approved and	Existing procedures adequate.



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<b>LIABILITY</b>				
Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
			signed at the next Council meeting. Minutes, agendas and statutory notices are displayed according to legal requirements.	
	Business conduct	L	Business conducted at Parish Council meetings should be managed by the Chair.	Guidance/training available for the Chair (if required).  Members adhere to Code of Conduct.
Public Liability	Risk to third party, property or individuals	M	Public Liability Insurance is in place. Risk assessments are carried out regularly to comply with requirements.	Existing procedures are adequate.  Ensure risk assessments are carried out.
Employer liability	Non-compliance with employment law	L	Undertake adequate training and seek advice from DALC.	Review training required.
Legal Liability	Legality of activities	M	Clerk to clarify legal position on proposals and seek advice if necessary.	Existing procedures are adequate.
	Proper and timely reporting via Minutes	L	The Parish Council receives and approves the Minutes at the bi-monthly meetings.	Existing procedures are adequate.
	Proper document control	L	A document retention policy is in place. Documents are reviewed regularly to ensure they comply with the policy.	Existing procedures are adequate.

<b>COUNCILLORS PROPRIETY</b>				
Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
Members Interests	Conflict of interests	L	Councillors have a duty to declare any interests at the start of the Parish Council meeting or as soon as they become aware of the potential conflict of interest.	Existing procedures are adequate.
	Register of members interest	M	Register of members interests forms reviewed regularly.	Members take responsibility to update the register.
Members' behaviour	Inappropriate or disturbing behaviour at meetings	M	LGA Model Code of Conduct adopted.	Existing procedure is adequate.

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ASSETS				
Subject	Risks(s) identified	H / M / L	Management / Control of Risk	Review / Assess / Revise
Playing fields & equipment	Loss or Damage	L	An asset register is kept up to date and insurance is held at the appropriate level for all items, including Public Liability Insurance.	Existing procedures are adequate.
Open spaces (village green & Waterloo Plot)	Risk/damage to third party(ies)/property	L	The playing fields & play equipment are visually inspected weekly by a Councillor and problems reported to the Clerk. The play equipment is inspected annually by PlaySafety Ltd (RoSPA accredited). Other assets are inspected quarterly and problems reported to the Clerk. The Parish Council use the Safety Culture app to record inspections and produce reports.	
Bus shelters	Poor maintenance	L		
Street furniture				
Noticeboards				
Telephone Box Library			All repairs and relevant expenditure for any repair is actioned/authorised in accordance with the correct procedures of the Parish Council. Urgent maintenance issues are dealt with straight away, minor issues are dealt with when a working party is arranged.	
Permissive footpath			A grass cutting contract is in place to maintain the playing fields, village green, Waterloo Plot and the area around the Tale bus shelter.	
Office furniture & equipment	Employee Health & Safety	L	The Parish Clerk home is their place of work and they provide suitable furniture.  A laptop and laminator have been provided by the Parish Council. Printing and scanning facilities are currently provided by the Clerk who is re-imbursed for the costs of paper, toner and laminator sleeves.	Existing provisions are adequate.
Website	Risk of website being hijacked	L	The website is hosted and supported by VisionICT who maintain security and provide a webmaster service.	Existing procedure is adequate.
	Risk of inappropriate or libellous content	L	Only the Clerk has admin rights to make changes to the website.	Existing procedure is adequate.