



WEST HANNINGFIELD PARISH COUNCIL



RISK ASSESSMENT – FINANCIAL

Description	Risk	Action/Notes	Likelihood	Impact	Risk
Business Continuity	Risk of Parish Council not being able to continue its business due to unexpected or tragic circumstances	There is a reserve in place and insurance to cover such an event – review periodically	Unlikely	Severe	
Loss of RFO	Inability to access laptop and online banking through loss of passwords and lack of knowledge	Chair of Parish Council and Vice Chair of Legal and Finance Committee hold a list of passwords in a sealed envelope. Office handbook being created to cover all essential activities to provide a step-by-step guide in the event of staff absence.	Unlikely	Critical	
Financial Records	Inadequate records/irregularities	The Parish Council has Financial Regulations in place which set out the requirements and checks. These are reviewed annually.	Unlikely	Critical	
Book-keeping	Inaccurate or failure to maintain the Parish Council's income and expenditure records properly could lead to a loss of income, overcharging by suppliers or misappropriation of Parish Council funds.	An internal and external audit are carried out annually, as is a review of the Parish Council's Financial Regulations. Bank Reconciliations presented Monthly	Possible	Major	

Description	Risk	Action/Notes	Likelihood	Impact	Risk
Purchasing	Overspend on purchase.	All purchases are(except for contractual obligations) approved in advance in accordance with Financial Regulations and noted on the budget tracker report. All invoices are processed by the Clerk and payments approved by two authorised signatories before payment is made.	Possible	Major	
Precept	Adequacy of precept requirements. Requirements not submitted to BBC in time Precept not received from BBC in time.	Regular budget review by Full Council Precept should be considered by Council before the deadline. The Clerk informs Council when the monies are received	Unlikely	Critical	
VAT	Non-payment/reclaiming of VAT.	VAT returns are sent to HMRC yearly.	Unlikely	Major	
Budget	Overspend on services.	Costs are closely monitored, and a budget report is presented to Council every three months, but it is understood that the economy cannot be controlled.	Possible	Major	
Petty Cash	None held	n/a			
Bank and Banking	Inadequate Cheques Bank mistakes/charges Loss of signatories	The Parish Council's Financial Regulations set out the requirements for banking, cheques and reconciliation of accounts. The Parish Council bank accounts have three authorised signatories so in the event of loss of one, banking can still be carried out. In the case of losing one signatory, another is to be appointed immediately.	Unlikely	Severe	

Description	Risk	Action/Notes	Likelihood	Impact	Risk
Online banking system	Theft of funds, incorrect payments, unauthorised payments.	Payments are raised on the receipt of an invoice by the RFO. Payments raised via Unity Bank website using private passwords and usernames. RFO is unable to authorise payments – this must be done by 2 authorised signatories. Authorised signatories cannot raise payments.	Unlikely	Critical	
Litigation	Potential risk of legal action being taken against the Parish Council	Public Liability insurance covers general personal injury claims where the Parish Council is found to be at fault, but not spurious or frivolous claims – these cannot be insured against	Possible	Major	
Data Protection	Loss of data or breach of data protection regulations	Potential financial penalty in the event of a loss of data or breach. Risk mitigated through the council's data protection policy, privacy notice (website) and registration with the ICO.	Possible	Major	
Insurance	Being under-insured	A yearly review is carried out of the Parish Council's assets and needs. Employers and Employee liability insurance is also in place.	Unlikely	Severe	
Fidelity insurance	Theft of funds	Internal controls are in place so that no one person can access the Parish Council funds. Insurance cover in place.	Unlikely	Critical	
Members Expenses	Overpaid expenses and tax implications	Mileage allowance is below the tax threshold. All claims for expenses must be passed by the RFO.	Possible	Minor	
Reporting	Information not communicated	Budgets, profit and loss and bank reconciliations are reported to Full Council	Unlikely	Major	

Description	Risk	Action/Notes	Likelihood	Impact	Risk
Internal Audit	Review of systems and controls implemented by the Parish Council	The audit takes place annually with a verbal and written report. This should be independent and in confidence. Any recommendations received will be acted upon.	Possible (that there is a problem)	Major	
Stock	Loss of stock	The Parish Council has limited stocks; these are monitored	Unlikely	Minor	
Debt	Unpaid customer invoices	Regularly monitored with action taken as necessary	Unlikely	Minor	
Charges	Payments of leases are under / over paid	Invoice for lease of recreation ground settled promptly upon receipt of payment.	Unlikely	Minor	
Salaries	Salaries paid correctly	The Parish Council authorises the appointment of all employees through a committee. Salary rates are assessed periodically by the Personnel committee. An accountant allocates the salaries, tax and NI payments which are submitted to the Inland Revenue. Wages are paid by BACS. Employees have a contract of employment and a job description. Wages are audited annually	Unlikely	Severe	
HMRC annual return	Paying and accounting NI and tax of employees' salaries.	The payroll company completes and submits the employers annual return to the Inland Revenue within the prescribed timeframe	Unlikely	Severe	
Pension annual return	Paying and accounting for employee and employer contributions.	The payroll company completes and submits the employer's pension annual return and contributions to Essex County Council within the prescribed timeframe.	Unlikely	Severe	

Description	Risk	Action/Notes	Likelihood	Impact	Risk
Employees	Loss of key personnel. Actions undertaken by the clerk.	Access to relevant publications and professional indemnity insurance is in place.	Possible	Severe	
Assets	Loss or damage	An annual review of the asset register is undertaken	Unlikely	Minor	
Maintenance	Poor performance of assets	Assets at risk are identified and approved maintenance plans are in place	Possible	Major	
Meeting Location	Adequacy Health & Safety	Parish Council meetings are held in village halls which are considered adequate for Health & Safety and comfort.	Possible	Severe	
Paper/Computer files	Loss through fire	Paper filing is held within the clerk's home. The computers constantly back up the data into the Cloud and the whole computer system is monitored by an IT company. Historic records transferred to the Essex Record Office	Possible	Severe	
Health and safety	Accident	An annual review of Risk Assessments is carried out	Unlikely	Critical	

RISK ASSESSMENT: OFFICE

Description	Risk	Action / Notes	Likelihood	Impact	Risk
Health & Safety	Clerk falling ill or becoming incapacitated due to posture related issues.	The Clerk works from home. DSE Assessment carried out.	Unlikely	Severe	

RISK ASSESSMENT – DATA

(Conforming with General Data Protection Regulations)

What Data?	Source of Data	Why kept?	Legal Basis	Length & Nature of Storage	Data Checked for Accuracy	Data Shared	Risk	Likelihood	Impact	Risk
Suppliers / Contractors / Employee Bank Details	Supplier / Contractor	To pay invoices / Salary	Contractual necessity	On secure bank website for duration of contract	Monthly payment confirms accuracy		Bank details will become known	Unlikely	Minor	
Photos on website	Councillors / Employees	Publicity & Transparency	Discharge of Council's functions	For length of service	n/a	n/a	Photos may be used for illegal or nefarious uses	Unlikely	Critical	
Councillor Names & Addresses	Councillors	Transparency	Discharge of Council's functions	Addresses not published. Names published for length of service	n/a	n/a	Councillor details may be used for illegal or nefarious uses	Unlikely	Minor	
Recordings of Meetings	Zoom	For accurate writing of minutes	Discharge of council's functions	On Parish Council's laptop until minutes are written	n/a	No	Recordings may be edited and used to portray council or councillors negatively	Unlikely	Severe	

RISK ASSESSMENT – DISTRIBUTOR

Description	Risk	Action / Notes	Likelihood	Impact	Risk
Road Traffic Accident	Not being seen in the dark by traffic and being injured as a result of a road traffic accident.	Requesting the distributor does not deliver after dusk.	Unlikely	Severe	
Delivering	Carrying heavy bag risking injury.	Distribute in batches / offering to supply trolley.	Unlikely	Severe	
Delivering	Visibility.	PPE / High Visibility clothing provided.	Unlikely	Severe	

Approved: 13th March 2023

Re-Adopted: 12th May 2025

Lucy White- Clerk