

WYVERSTONE PARISH COUNCIL

Business Risk Assessment

nature of risk	severity	likelihood	action required
Councillors spend outside of their power	M	L	The Council employ a trained clerk to monitor spending projects and advise members Members must be aware that they could be held liable and subject to surcharge In small parishes with low precepts, large overspending would be limited
The council not having cash resources to meet obligations or commitments	M	L	The Council employ a trained clerk to monitor spending projects and advise members The Council budget carefully for future projects and set the precept accordingly The Council maintain a reserves policy equal to 50% of the precept Members are regularly updated of revenue balances and spend within budgets
The council approving a spending programme which results in a large increase in the precept	M	L	A political risk for councillors, and they should be prepared for political consequences Engagement with parish helps to ensure sustainability in long-term projects Significant increases in precept are limited by statute and require a referendum
Fraudulent expenditure by the chairman, or members exerting pressure on the clerk	M	L	All expenditure to be authorised at meetings only Any fraudulent activity should be identified at the annual internal/external audits
Theft or fraud by the clerk	M	L	All cheques should be signed by two authorised signatories and counterfoils initialled Clerk should not be a signatory to bank accounts. Clerk is a signatory in order to obtain bank statements, however will NOT sign cheques. Second signatory will confirm. As a signatory, clerk can set up agreed payments by BACS but all transactions require second signature Risk covered by insurance and audit
Unexpected ongoing costs for capital projects being incurred	M	L	All such projects must be properly costed and budgeted on a risk basis Councillors should consider whether any decisions made during meetings involve risks which should be added to the risk register Any large project to be intensively managed throughout the programme life-cycle as part of risk management
Inadequate insurance cover	M	L	Asset Register to be reviewed annually and insurance cover adjusted accordingly
Fixed assets being lost through theft, vandalism etc	M	L	Risk assessed on health & safety risk assessments for each item
The council fail to identify a risk	M	L	The council budget sufficiently for adequate training for clerks and councillors Councillors are familiar with the councils accounting procedures Councillors are fully conversant with the councils business procedures
Inability to carry out financial procedures due to change of clerk	M	L	In the event of a change of clerk, the Council will ensure there is an approved and appropriate handover of information, files, records and other relevant documentation to ensure that any incoming clerk can continue the work properly and efficiently
data compromised	M	L	The Council are not registered with the Information Commissioner's Office as they do not process personal data A hard copy of the electoral role, (supplied by MSDC and stored securely) is used for statistical purposes

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