

Bradford On Tone Parish Council Business Procedures Risk Register

(Prepared by the Clerk / Responsible Financial Officer)

Approved by the Council 9 July 2024 Reviewed by Council 28 January 2025 and 21 January 2026

No	Short Risk Description	Uncertainty ?	Leading To?	Resulting In?	Possible Causes	"T" action	Controls / Actions	(Residual) Impact Assessment	(Residual) Likelihood Assessment	(Residual) Risk Score
1.	Misappropriation of Council Funds	Could Council funds be misappropriated?	<ul style="list-style-type: none"> • Fraudulent activity • Unauthorised expenditure 	<ul style="list-style-type: none"> • Loss of Council reputation • Lack of funds to proceed with authorised expenditure / projects • Legal action 	<ul style="list-style-type: none"> • Inadequate financial procedures • Lack of internal controls • Procedures not followed 	Treat	<ul style="list-style-type: none"> • Financial Regulations reviewed annually by Council • Council formally approving all expenditure transactions in open session • Cheques require 2 Councillor signatories / authorisations • Payments by Bacs are put onto the bank system by the Clerk and authorised independently by two Councillors • Spending limits set in Financial Regulations • Blank cheques are never signed 	Major	Rare	Low

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							• Internal audits			
2.	Payments (By Cheque or BACS)	Could a payment be made to the wrong payee or the wrong amount paid?	<ul style="list-style-type: none"> • Late payment • Budget overspend 	<ul style="list-style-type: none"> • Loss of Council reputation • Budget overspend • Reduced finance available for planned expenditure • Additional costs e.g. having to pay a second time • Legal action 	Inadequate checking	Treat	<ul style="list-style-type: none"> • Payment schedule for Council prepared by Clerk/RFO • Payment schedule approved by Council • 2 Councillors sign each cheque or do a bank authorisation and check the due payment against the invoices and list approved by Council, 	Moderate	Possible	Medium
3.	Late Payments	Are invoices paid in a timely manner	<ul style="list-style-type: none"> • Outstanding Debt 	<ul style="list-style-type: none"> • Budget overspend • Reduced finance available for planned expenditure • Broken contracts and thus 	<ul style="list-style-type: none"> • Lack of Councillor availability • Council meeting cycle not conducive to getting payments authorised 	Treat	<ul style="list-style-type: none"> • Items for Payment as an agenda item at every Council meeting. • Moving to on-line banking will reduce time taken to make payment (i.e. postage and cashing of cheques) 	Moderate	Possible	Medium

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				compensati on claims <ul style="list-style-type: none"> • Penalty charges being incurred • Difficulty in purchasing goods and services • Inaccurate perception of Council’s financial situation 						
4.	VAT	Are the correct amounts of VAT reclaimed	<ul style="list-style-type: none"> • Budget overspend • Inaccurate VAT claims submitted 	<ul style="list-style-type: none"> • Loss of Council reputation • Possible action / fines by HMRC • Reduced level of finance 	<ul style="list-style-type: none"> • Application of incorrect VAT rate • Lack of staff experience and training 	Treat	<ul style="list-style-type: none"> • Internal audit 	Moderate	Likely	Medium

No	Short Risk Description	Uncertainty ?	Leading To?	Resulting In?	Possible Causes	“T” action	Controls / Actions	(Residual) Impact Assessment	(Residual) Likelihood Assessment	(Residual) Risk Score
				available for planned expenditure						
5.	Loss of information / financial data	Whether or not the Council could make payments and produce legally required financial information	<ul style="list-style-type: none"> • The council operating in an unprofessional manner 	<ul style="list-style-type: none"> • Loss of Council reputation • Critical /adverse audit report • Legal action • Laptop purchased specifically for Council business and an external hard drive for back-up 	<ul style="list-style-type: none"> • Poor record keeping • Insecure storage methods 			Major	Unlikely	Medium
6.	Insurance	Whether or not the Council has appropriate cover to meet potential losses and / claims	<ul style="list-style-type: none"> • Inability to replace assets • Inability to meet claims made against the Council 	<ul style="list-style-type: none"> • Loss of Council reputation • Inability to carry out responsibilities due to 	<ul style="list-style-type: none"> • In adequate scrutiny of insurance cover taken • Insurers not updated of equipment changes 	Treat	<ul style="list-style-type: none"> • Insurance cover reviewed annually • Asset register maintained and reviewed regularly • Risk management systems in place and 	Major	Unlikely	Medium

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			<ul style="list-style-type: none"> • Increased insurance cost / excessive insurance premiums 	<ul style="list-style-type: none"> • lack of equipment • Severe financial difficulties • Legal action 	<ul style="list-style-type: none"> • Insurers not notified of changed circumstance • Insurers not notified of new events 		reviewed at least annually			
7.	Budget	Is the budget set at a level to enable the Council to fulfil its plans without either significant under or over spending?	<ul style="list-style-type: none"> • Inability to deliver services and planned projects 	<ul style="list-style-type: none"> • Loss of Council reputation • Broken contracts and thus compensation claims 	<ul style="list-style-type: none"> • Poor financial planning • Poor understanding of council finance and budget matters • Poor project planning 	Treat	<ul style="list-style-type: none"> • budget monitoring report at each Council meeting • Emergency expenditure is reported to councillors as soon as possible • Unbudgeted expenditure is avoided as far as possible • Moving to on-line banking will enable more timely checking of balances 	Moderate	Possible	Medium

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8.	Budget	Budget not calculated and agreed for 2025/2026	<ul style="list-style-type: none"> • Inability to deliver services and planned projects • Excessive amounts in bank accounts 	<ul style="list-style-type: none"> • Loss of council reputation • Depleted reserves 	<ul style="list-style-type: none"> • Poor financial planning • Poor understanding of council finance and budget matters • Knock-on effect of Somerset Council financial crises 	Treat	<ul style="list-style-type: none"> • Monitor expenditure • All payments to be approved by Council • Any financial decisions to be taken after information of impact on finances is provided • Meetings to agree budget and precept are identified in the calendar of meetings 	Major	Rare	Low
9.	Reserves	Are the Council’s reserves at an appropriate level?	<ul style="list-style-type: none"> • Setting an unnecessarily high budget (if reserves are too high) • Lack of resilience for expenditure plans (if 	<ul style="list-style-type: none"> • Loss of Town Council reputation • Loss of Council reputation • Poor audit reports • Inappropriate spending 	<ul style="list-style-type: none"> • Inaccurate budgeting • Projects not proceeding as planned 	Take Advantage & Treat	<ul style="list-style-type: none"> • Implement project plans • Monitor reserves • Implement agreed reserves policy • Identify and agree reserve levels and contingency budgets when the annual budget is agreed 	Moderate	Unlikely	Low

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			reserves too low)				<ul style="list-style-type: none"> • Agree ear marked reserves when the annual budget is agreed 			
10.	Play Area	Is play equipment inspected and maintained	<ul style="list-style-type: none"> • Lack of maintenance • Health and safety risks 	<ul style="list-style-type: none"> • Loss of Council reputation • Possible injuries to the public • Legal action 	<ul style="list-style-type: none"> • Lack of Councillors / Clerk awareness 	Treat	<ul style="list-style-type: none"> • Weekly safety check of play area undertaken and written record kept • Annual play inspection to be arranged • Training (25.06.24) by individual doing weekly inspections 	Major	Possible	Medium
11.	Council acts Ultra Vires	Whether or not the Council acts in a lawful manner	<ul style="list-style-type: none"> • Council makes an unlawful decision or one it had no power to make 	<ul style="list-style-type: none"> • Loss of Council reputation • Non-Completion of associated project or implementation of decision • Legal action 	<ul style="list-style-type: none"> • Lack of information • Lack of appropriate subject knowledge • Non-adherence to relevant legislation, policy or procedure 	Treat	<ul style="list-style-type: none"> • Trained Clerk • Governance documents reviewed regularly • Membership of the Association of Local Councils • Councillor training • Clerk is member of the Society of Local council Clerks • Clerk holds the Certificate in Local Council 	Major	Rare	Low

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							Administration (CilCA)			
12.	Governance and Policy Framework	Whether or not the Council makes decisions in accordance with its governance and policy framework	<ul style="list-style-type: none"> • Inconsistent decision making 	<ul style="list-style-type: none"> • Loss of Council reputation • Conflicting Council priorities • Conflicting council decisions • Legal action 	<ul style="list-style-type: none"> • Inadequate Councillor training • Inadequate knowledge of Council policies 	Treat	<ul style="list-style-type: none"> • Councillor training opportunities regularly circulated to Councillors • Councillors completed Register of Interest Forms held by Clerk and copies forwarded to Somerset Council • Councillors Register of Interest information published on Council’s website 	Major	Unlikely	Medium
13	Councillor Numbers	Whether or not the Council is able to recruit / retain sufficient people as Councillors to be able to	<ul style="list-style-type: none"> • Somerset Council appointing people to the Parish Council • Delays in decisions for Parish Council business 	<ul style="list-style-type: none"> • Loss of Council reputation • Decisions being made by people unfamiliar with the village 	<ul style="list-style-type: none"> • Lack of knowledge of Parish Council activities • Lack of understanding of parish councils • Ineffective advertising 	Treat	<ul style="list-style-type: none"> • Chair writing a regular article for parish magazine on council activities • Using available, existing communication methods to promote council activities, e.g. noticeboards, magazine 	Moderate	Unlikley	Low

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		operate effectively			of casual vacancies					
14	Communications	Whether or not the Council is able to provide timely information to residents	<ul style="list-style-type: none"> • Disgruntled residents • Poor local council decision making • Lack of community involvement 	<ul style="list-style-type: none"> • Loss of council reputation 	<ul style="list-style-type: none"> • Lack of information emanating from Principal Authority • Information not received in a timely manner • Information not passed on in a timely manner 	Treat	<ul style="list-style-type: none"> • Somerset Councillors attend parish council meetings • Parish Council Chair writes an article each month for the village newsletter • Parish Council meeting information published on parish council website 	Moderate	Possible	Medium

Risk Assessment Grid

		Negligible	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Rare (< 6%)	1	Low	Low	Low	Low	High
Unlikely (6 - 20%)	2	Low	Low	Low	Medium	High
Possible (21 – 50%)	3	Low	Low	Medium	Medium	High
Likely (51 – 80%)	4	Low	Medium	Medium	High	Very High
Almost Certain (> 80%)	5	Low	Medium	High	Very High	Very High

T Treatments: Tolerate, Treat, Transfer, Terminate, Take advantage