



LAWFORD PARISH COUNCIL **ANNUAL RISK ASSESSMENT & MANAGEMENT SCHEME – 10 July 2025**

Financial and Management

| Subject | Risk Identified | H/M/L | Management / Control of Risk | Review/Assess/Revise |
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| Business Continuity | Risk of council not being able to continue its business due to an unexpected tragic circumstance | M | <p>In the event of the loss or long-term incapacity of the Clerk or Councillors and to negate the effect of loss or theft of records.</p> <p>The records are stored in a locked filing cabinet at the Council Offices and on the computer in a locked office. The Clerk and the Chair have a key for the office door, and both have the code for the computer.</p> <p>Essex Association of Local Councils (EALC) can provide temporary personnel to cover for the Clerk if needed. Clerks local to the area can also be called to see if they can help.</p> <p>The website is kept up to date with relevant records including minutes and policy document.</p> <p>At each Full Council meeting the Clerk gives the Chair an updated hard drive containing the most recent files from the computer. The Chair signs for this and it is replaced at each Full Council meeting with an updated hard drive.</p> | Review when necessary. |

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| Precept | Ensuring the precept is adequate | L | Sound budgeting and forward planning underlie and inform the precept setting process. Next year budget and precept calculation is considered by the Administration meeting in October/November. The budget and precept calculation is then considered by the Full Council in November / December taking into account progress against budgets from the previous year and expected inflationary increases for the coming year. | Going forward the Administration Meeting (which meets at least 3 times per year) will include an item on its agenda called Review of the Budget including review income/expenditure and future income/expenditure. |
| | Ensuring requirements submitted to Tendring District Council | L | With this information and consideration of finance required for any new projects, the precept amount is to be agreed and communicated by the Clerk in writing to Tendring District Council. | Existing procedure adequate |
| | Ensuring precept received | L | The Council is advised by the Clerk when the Precept is received usually in April and October | Existing procedure adequate |
| Financial Records | Inadequate records | L | The records are kept up to date by the Clerk with regular updates provided to Council meetings monthly in the form of expenditure / bank reconciliation statements. A councillor carries out quarterly checks of expenditure, bank reconciliations and individual payments and receipts, which are stored in paper copy and PC software. | Procedures set out in the Council's Financial Regulations and reviewed annually. |
| | Financial irregularities | L | The Council has purchased a bespoke parish council accounting software package to ensure all financial records are kept up to date and in order. The Council has its own on-line banking audit procedures and financial regulations which set out the requirement and these must be reviewed annually. | As above |

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| Bank and Banking | Lack of regular reconciliation | L | The Council has financial regulations which set out the requirement and these must be reviewed annually – reconciliation statements must be reviewed at least quarterly and are subject to a check by a named councillor. | Procedures set out in the Council's Financial Regulations and reviewed annually. |
| | Loss through theft or dishonesty | L | All payments require two signatures from nominated signatories and payments are usually only authorised at monthly meetings on sight of invoices which are examined and signed by signatories. The Council's Financial Regulations set out procedures for necessary payments outside of meetings. Most payments are carried out using online banking. Whereas payments by cheques are rare, such payments MUST record cheque numbers authorised and who has signed the cheques confirming that everything is signed in accordance with bank mandates. | Procedures set out in the Council's Financial Regulations and reviewed annually. |
| | Inadequate checks/bank errors | L | Bank statements are received and reconciled by the Clerk monthly and any queries raised with bank immediately and reported to the Council at meetings. | Procedures set out in the Council's Financial Regulations and reviewed annually. Insurance provision is reviewed annually. |
| Cash | Loss through theft or dishonesty | L L | No petty cash held. There is no regular cash income, but any cash received would be dealt with in accordance with the Council's Financial Regulations which are reviewed and updated annually. | Existing procedure adequate |
| Costs/expenses/debts | Goods not supplied but billed | L | Financial regulations set out requirements. | Procedures set out in the Council's Financial |

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| | | | | Regulations and reviewed annually. Insurance provision is reviewed annually. |
| | Incorrect invoicing | L | The Clerk checks all invoices are held and councillors' signatories authorising payments ensure that they have had sight of the relevant invoice, that it is properly addressed to the Council and relates to goods and / or services provided to the parish council. | As above |
| | Cheques payable completed incorrectly | L | Invoices must be checked in the first instance for validity and accuracy by the Clerk and at each council meeting a list of invoices for payment is circulated and approved by Full Council. Cheque signatories must check invoices, cheques and cheque book stubs for discrepancies. | As above |
| | Unpaid invoices (issues by the Council) | L | The Council does not currently supply regular services, however, this will change in September 2025 with room hire agreements are introduced so this plan will be looked at again then however, it is noted that the financial regulations deal with such matters and will be adhered to. | Existing procedures adequate. |
| Payment for major works/projects | Works awarded incorrectly | L | Financial Regulations set out requirements and if three quotations not available then reasons for this are recorded in minutes, together with evidence of how Best Value is being measured. | Procedures set out in the Council's Financial Regulations and reviewed annually. |
| Best Value Accountability | Overspend on agreed projects | L | Financial management of projects should normally be undertaken by the Clerk and underspends / overspends reported to the council accordingly. Overspends are properly managed and authorised in accordance with financial regulations. | As above |

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| Salaries and associated costs | Salary paid incorrectly | L | The council uses payroll services and pay slips can be viewed by the Council at monthly meetings. | Salary rates must be reviewed at least annually and any changes implemented fully and recorded in minutes. |
| | Wrong hours or rate paid | L | Payments in respect of salaries are checked against monthly salary slip showing gross payment tax/NI paid and net payment due. | Existing procedures adequate. |
| | Wrong deductions of NI and tax | | PAYE payments due to HMRC are paid quarterly for the full and correct amount of NIC due including employer NIC contributions | Existing procedures adequate. |
| | Unpaid tax or NI contributions to HMRC | L | Monthly returns submitted electronically to Inland Revenue, reported to Council and checked for accuracy by Internal Auditor. | Existing procedures adequate. |
| Employees | Loss of key personnel | L | See Annual Risk Assessment section Business Continuity. Notice period built into contract. | |
| | Fraud by staff | L | See Annual Risk Assessment section Bank and Banking. | |
| | Actions undertaken by staff | L | Clerk has CiLCA qualification and other training courses | |
| | Health and Safety | L | Indemnity insurance held for staff and volunteer councillors | Insurance provision reviewed annually |
| | | | Training budget has been put in place for relevant training and access to legal advice and assistance facilitated by membership of SLCC and EALC. | Council to ensure membership of relevant bodies is kept up to date. Councillors are to be aware of shortfalls in their own knowledge and take responsibility for their own training needs. |

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| | | | Employee liability insurance is up to date | Insurance provision reviewed annually |
| | Contract of Employment | L | NALC recommended contract of employment is in place for Clerk | Annual review of salary is diarised. |
| VAT | Reclaiming | L | VAT due recorded on computerised accounting system and reclaimed amounts are reported to the Council and checked at Internal Audit quarterly and annually for accuracy and to confirm reclaim received. Clerk to ensure that all VAT repayable is claimed quarterly | Existing procedures adequate. |
| Annual Returns | Ensuring submission within time limits | L | The Clerk and Council are aware of time limits for both HMRC and External Auditor returns and these MUST BE submitted annually within deadlines set. Clerk and councillors are mindful of relevant deadlines and year end accounts must be produced as soon as possible after the year end (31 st March) with internal auditor appointed BY THE COUNCIL, to undertake relevant checks and provide a full report which MUST be made available to all councillors. | Existing procedures adequate. |
| Legal Powers / Grant Funding s137 | Illegal activity or payments by the Council | L | All payments MUST be approved by the Council and reference to the relevant spending power clearly recorded in the minutes. | Existing procedures adequate |
| Minutes/agendas | Accuracy/Legality | L | Clerk is fully trained to produce minutes and agendas in the prescribed format which adhere to legal requirements | Existing procedures adequate |
| | | | The Clerk ensures that a formal 'minutes book' is maintained and that all minutes are signed and recorded in the book. | As above |

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| | | | Minutes are approved and signed by the Chair at the next available council meeting. | As above |
| | | | Agendas are circulated to councillors and displayed on the council's website and noticeboards in accordance with legal requirements | As above |
| | | | Business at meetings conducted in accordance with agenda and standing orders which are reviewed annually. | Standing Orders reviewed annually. |
| GDPR | Storing information / risk of data breaches | L | Council has in place Data Protection Policy with actions taken to protect personal data. | Councillors to be reminded to review their own electronic and paper files including emails to ensure no unnecessary data stored on personal hard drives or at home in paper format. Data Protection policy reviewed annually. |
| Members interests | Conflict of interests | L | All councillors are reminded of their responsibilities | Existing procedures adequate |
| | Register of members' interests | L | A specific agenda item at each meeting prompts councillors to declare any personal or prejudicial interests | Existing procedures adequate |
| | | | All members review and update their registers at least annually | This is an agenda item at the annual meeting |
| Insurance | Adequacy /cost | L | Annual review of insurance undertaken to ensure all risks/assets adequately covered and annual insurance premiums reasonable | Insurance provision reviewed annually |
| Election costs | Unbudgeted cost | L | Potential election costs are taken into account in the budget setting process every year | Existing procedures adequate |

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| Freedom of Information Act | Policy provision | L | Council has in place a Freedom of Information Policy which outlines its responsibilities under this act. | Existing procedures adequate. |
| Cloud Storage | Loss of Council electronic data due to fire, flood, breakdown, theft, cloud storage failure, denial of service (DOS) attack, internet outage and GDPR breaches. | M | Key documents are scanned or photocopied into shared drive. Files are regularly backed up onto hard drive. | Existing procedures adequate. |

Physical Equipment or Areas

| Subject | Risk Identified | H/M/L | Management / Control of Risk | Review/Assess/Revise |
|------------------------------|------------------------|--------------|--|------------------------------|
| Lawford Parish Community Hub | Fire | L | <ol style="list-style-type: none"> 1. Annual Fire Risk Assessment carried out 2. Action Plan from Fire Risk Assessment expedited 3. Weekly testing of fire alarm system 4. Monthly testing of emergency lights system 5. Emergency plan written and displayed 6. Adequate signage on display 7. Fire risk induction for staff/councillors/hirers 8. Regular fire drills taking place | Existing procedures adequate |
| Lawford Parish Community Hub | Intruder | L | <ol style="list-style-type: none"> 1. Intruder Alarm installed 2. Intruder alarm is connected to the police 3. Fobs issued are noted by Clerk and a record kept 4. Induction given to new users of fobs | Existing procedures adequate |

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| Lawford Parish Community Hub | General damage due to hire | L | 1. Hire agreements in place that outline responsibilities of hirers of the rooms. | Existing procedures adequate |
| Assets Maintenance / Damage | Loss or damage | L | Adequate insurance is in place and reviewed annually and an up-to-date register of assets is maintained which is reviewed annually. | Existing procedures adequate |
| Play Equipment/Play Areas/Car Park | Risk or damage to third party property or individuals | L | Regular checks of play equipment and an annual inspection undertaken. Annual play inspections are undertaken by an independent qualified contractor. Playground checks by handyman every fortnight. Delegated power issued to Chair and Clerk to request repairs up to £1000 outside full council meetings if necessary and if considerable Health & Safety concern delegated power issues to Clerk to request repairs up to £2,000 outside Full Council meetings. | Existing procedures adequate |
| | | | Council contractors have valid public liability insurance. Clerk/Council is to ensure that all contractors have up to date Public Liability Insurance. | Existing procedures adequate. |
| Trees | Risk of damage to third party property or individuals | M | Annual inspection of all trees carried out by Councillors and handyman and the results given to the contractor for carrying out the works required. | Existing procedures adequate. |
| Streetlights | Risk of damage to third party property or individuals | M | Bi-annual inspection of all streetlights carried out by independent qualified streetlight contractor. | Existing procedures adequate. |
| Meeting location | Adequacy Health and Safety | L | Monthly meetings are held at the meeting room in the Lawford Parish Community Hub and any Health & Safety concerns reported to the Clerk for action. All facilities are adequate for purpose. | Existing procedures adequate. |

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Risk Schedule

| <u>Item</u> | <u>Frequency</u> | <u>Last review</u> | <u>Comments/actions</u> |
|---|---|---|---|
| Assets inspection: Play equipment | Fortnightly Visual (handyman), Annually by contractor Ad hoc by responsible councillor in mapped area going forward | Every fortnight by Clerk | Records kept in Filing cabinet and computer. |
| Streetlights | Bi-annually (contractor) | June (A&J) | As above |
| Trees | Annually (landscaper and councillor) | Autumn | As above |
| Parish Council Insurance: <ul style="list-style-type: none"> Public Liability Employers' Liability Personal Accident Public and products liability Fixed Assets Officials and trustees' indemnity Commercial legal protection Crisis containment Property - Terrorism | All insurance reviewed annually by Full Council before renewal | June | Action at May meeting in time for June renewal. June 2023 renewal was for three years so next renewal preparation will take place in May 2026 |
| Financial matters: <ul style="list-style-type: none"> Banking arrangements Insurance providers VAT returns Budget agreed Precept requested | <ul style="list-style-type: none"> Annually if change of signatories Annually by LPC Quarterly by Clerk November (FC), December (LPC) January by Clerk | <ul style="list-style-type: none"> May going forward May June/Sep/Dec/Mar December January | Ensure banking arrangements reviewed annually going forward otherwise existing procedures adequate. |

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| <ul style="list-style-type: none"> Bank reconciliation Salary review | <ul style="list-style-type: none"> Monthly by Clerk Annually within budget review or following NALC guidelines | <ul style="list-style-type: none"> Monthly Dec/Apr | |
| <ul style="list-style-type: none"> Internal audit External audit Internal controls Financial regulations | <ul style="list-style-type: none"> Quarterly by internal auditor Annually by PKF Littlejohn Annually by LPC Annually by LPC | <ul style="list-style-type: none"> May July November May | |
| Administration: <ul style="list-style-type: none"> Minutes properly numbered Asset register available and up-to-date Standing Orders reviewed Computer back-up | <ul style="list-style-type: none"> Checked by Clerk Checked by Clerk and Councillor Annually by LPC Regularly by Clerk | <ul style="list-style-type: none"> May May May Monthly | Existing procedures adequate |
| Employer's responsibilities: <ul style="list-style-type: none"> Employment contract Staff appraisals Training & development Contractor's Public Liability insurance Health & Safety Policy Procedure | <ul style="list-style-type: none"> As soon as possible after start Annually Ad hoc Mandatory for commission Annually | <ul style="list-style-type: none"> October On-going Last commission September | Existing procedures adequate |
| Member's responsibilities: <ul style="list-style-type: none"> Code of Conduct adopted Register of Pecuniary Interests completed/up-to-date Declarations of Interest minuted | <ul style="list-style-type: none"> Annual review by LPC Annual review by individual councillors Agenda item at every meeting of Full Council or Committee | <ul style="list-style-type: none"> May October On-going | Agenda item to go on annual meeting agenda to remind councillors to check their DPI forms |

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SIGNED:

CLERK

B. Tighe

DATE 21 July 2025

Policy Implementation Notice

This is the policy statement of: **Lawford Parish Council**

The overall and final responsibility for this policy is that of: **Parish Councillors**

Approved by **Full Council** on 21 July 2025

Day-to-day responsibility for ensuring this policy is put into practice is delegated to: **The Parish Clerk**

Policy review date: July 2026