

## TORMARTON PARISH COUNCIL

Adopted 12th May 2025

Subject	Risk No.	Risks Identified	Probability	Impact	Total	Controls
Councillors	1	Unfilled vacancies	4	2	1	Encourage standing for election. Fill vacancies with co-option if required but promote standing for election as it is a criteria for power of competence. Councillors to sign code of conduct upon appointment and to receive training. Published process for reporting and investigating alleged breaches of the code of conduct.
	2	Council being inquorate	3	2	2	
	3	Fewer than two thirds of councillor being elected	2	2	3	
	4	Breaches of councillor code of conduct	2	2	3	
Business Continuity	5	Council unable to continue its operation due to unexpected or tragic circumstances	2	2	2	Locum clerk to be sought. Business interruption insurance cover.
Precept	6	Non submission of Precept Form on time	1	1	1	Ensure Precept is set each January. Clerk to confirm submission and its safe receipt by SGC. Precept income shown in finance reports to council.
Financial Records	7	Inadequate records	3	2	1	Designated Responsible Finance Officer. Internal Controller checks to be introduced. Internal Audit Reviews. Annual External Audit. Maintain and review Financial Regulations.
	8	Financial irregularities	2	2	1	
Bank and banking	9	Inadequate checks	3	3	1	Financial regulations cover banking, payments, cheques and reconciliations. Monthly payments and reconciliations reported to council. Confirm and appoint sufficient signatories/authorisers.
	10	Bank mistakes	1	2	2	
	11	Loss	2	2	2	
	12	Changes	2	2	2	
	13	Loss of signatories/authorisers	2	2	2	
Cash/Loss	14	Loss through theft or dishonesty	1	2	2	Financial regulations. Internal Controls and Audit. Insurance cover arranged.
Litigation	15	Potential risk of legal action being taken	1	2	2	Public and Employers Liability Insurance cover in place. Advice taken from insurers and insurance broker.
Reporting and Auditing	16	Inadequate reports	1	2	2	Scheduled financial reports from RFO. Engagement of professional accountant as required to support end of year accounts. Submission of records to auditors. Inspection of site. Notice given of public inspection period. Matters raised by auditor fully responded to. Internal auditor tests and reviews processes and makes reports to council with recommendations.
	17	Failure to carry out Internal and External Audits	1	1	1	
	18	Failure to meet timetable for publication and inspection	1	1	1	
	19	Objections to annual accounts	2	2	2	
Billing and Debts	20	Goods not supplied but billed	1	2	2	Checks made in accordance with Financial Regulations. Bills and invoices presented with cheques for signature or initialling of authorisation record if payment has been made electronically.
	21	Incorrect invoicing	1	2	2	
	22	Cheques payable incorrect	1	2	2	
	23	Loss of stock	1	2	2	
	24	Unpaid invoices	1	2	2	
Powers to spend	25	Lack of authority to incur expenditure	1	2	2	All expenditure must be in furtherance of a specified legal power to be recorded in council and committee minutes.
Grant Conditions	26	Adherence to grant terms and conditions	2	2	1	File to be held on grants. RFO to ensure grant conditions are adhered to. Monitoring reports supplied to funding bodies. Key implications drawn to attention of councillors.
Procurement	27	Work awarded incorrectly	1	2	2	Dependent on the value concerned Financial Regulations require specified numbers of quotation to be obtained or complete tendering to be used in accordance with Public Contracts Regulations 2015
	28	Overspend	1	2	2	
Salaries	29	Salary paid incorrectly	1	1	1	Salary payments are calculated from contracted spinal column points. payment of expenses approved and supported by receipts Payments appear on the monthly payments list presented to council for approval. NI and Tax due calculated using HMRC Real Time Information system and shown in Annual Return. P60 and P11D forms issued to employees as applicable. Records subject to check by Internal Controller, Internal Audit and External Audit. Payments due made if monthly meetings do not take place in order to ensure contractual obligations are met.
	30	Wrong hours/rates paid	1	1	1	
	31	Payment of expenses	2	2	1	
	32	False employee	1	1	1	
	33	Wrong deduction of NI or Tax	1	2	2	
	34	Unpaid NI & Tax contributions to HMRC	1	1	1	
Employees	35	Loss of key personnel	2	2	2	Business Continuity Plan. Insurance cover regards to fraud. Clerk as the Proper Officer advises council, supported to be in membership of SLCC. Health and safety policy and working practices monitored. RFO ensures monthly payments and annual returns made to pension providers.
	36	Fraud by staff	2	2	2	
	37	Actions undertaken by staff	2	2	1	
	38	Health and safety breaches	1	2	2	
	39	LGPS cessation cost when last active members leaves	1	1	1	
	41	Excessive sickness or accident	1	1	1	