

Alpheton Council – General Risk Management and Internal Control Document

January 2026

The Parish Council is responsible for ensuring that its financial management is effective and there is a good system of internal controls. A risk assessment aims to identify what can go wrong, what steps should be taken to avoid this and how to manage the consequences. There is no set definition of what constitutes a risk assessment. The risk assessment must be documented, reviewed, and updated every year. A copy of this documented risk assessment and a copy of the Minute, recording the annual review is required as part of the annual internal audit.

No	Risk	Alpheton Parish Council Controls
	Section A: Insurance cover for risk is the most common approach to certain types of inherent risks	
1	The protection of physical assets owned by the council – buildings, furniture, equipment, etc (loss or damage).	Asset register is updated annually. Assets maintained as required. Assets covered by insurance (a nationally reputable company). Sums insured are reviewed annually. Audit assurance is provided by Council.
2	The risk of damage to third party property or individuals as a consequence of the council providing services or amenities to the public (public liability).	No specific risks identified. Covered by insurance as above. Audit assurance provided as above.
3	The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss).	No specific risks identified. Income is mainly achieved from Precept set annually. Audit assurance provided as above.
4	Loss of cash through theft or dishonesty (fidelity guarantee).	Covered by insurance as above. Audit assurance provided as above
5	Legal liability as a consequence of asset ownership (public liability).	Covered by insurance as above. Audit assurance provided as above.
	Section B: The limited nature of internal resources in most local councils means that councils wishing to provide services often buy them in from specialist external bodies. Alpheton Parish Council has minimal commitments in this area.	
6	Security for vulnerable buildings, amenities or equipment.	Vandalism or theft. Asset register is updated annually. Assets maintained as required. Assets covered by insurance (a nationally reputable company). Sums insured are reviewed annually.

7	Maintenance for vulnerable buildings, amenities or equipment.	Maintained as required.
8	The provision of services being carried out under partnership agreements with principal authorities.	Not applicable
9	Banking arrangements, including borrowing or lending.	No borrowing or lending occurs.
11	Ad hoc provision of amenities/ facilities for events to local community groups.	Not applicable
12	Vehicle or equipment lease or hire.	Not applicable
13	Trading units (leisure centres, playing fields, burial grounds, etc).	Not applicable
14	Professional services (planning, architects, accountancy, design, etc).	Not applicable
	Section C: Activities that create business risks but don't fall easily into either of the above categories; they are either difficult to quantify or are uninsurable.	
15	Keeping proper financial records in accordance with statutory requirements.	Financial records maintained by authorised RFO. Internal systems of control including financial control procedures covering (1) Income; (2) Expenditure; (3) Asset Register; (4) Budgetary control and reporting; (6) VAT; (8) Year-end procedures.
16	Ensuring all business activities are within legal powers applicable to local councils.	A legal power is identified for any new activity and for all expenditure (except where legislation expressly prohibits this).
17	Complying with restrictions on financial borrowing.	Not applicable – no borrowing has taken place.
18	Ensuring that all requirements are met under employment law and regulations.	Payroll arrangements handled by SALC. Staff contract exists.
19	Ensuring all requirements are met under HM Revenue and Customs Notices and regulations (Income Tax, National Insurance and VAT).	Payroll arrangements handled by SALC. Annual VAT refund claims submitted.
20	Ensuring the adequacy of the annual precept within sound budgeting	Budget and precept approved by Council in January each year.
21	Monitoring of performance against agreed standards under partnership agreements.	N/A

22	Proper, timely and accurate reporting of council business in the minutes.	Minutes of Council meetings circulated to Councillors and via website, available to Cllrs and Public.
23	Responding to electors wishing to exercise their rights of inspection.	Requests facilitated. Policy and procedure published for requests under Freedom of Information legislation and compliance maintained.
24	Meeting the laid down timetables when responding to consultation invitation.	Respond within the times limits as required. Call extra Council meetings if required.
25	Proper document control.	All incoming and outgoing documents managed. Procedures for electronic distribution and for document filing system in place.
26	Data Protection control - GDPR	The Parish Council are registered as a data controller with the Information Commissioner, who maintains a public record of this. As a public authority, the Parish Council has certain powers and obligations to process personal data. All personal data collected or supplied is treated in accordance with current data protection laws in the UK. Publish Certificate annually on website and ensure annual registration renewal.
27	Register of Members' Interests and Gifts and Hospitality in place, complete, accurate and up to date.	Register maintained by Parish Clerk and Babergh District Council's Monitoring Officer and available on their website. All Cllrs have completed declaration of office and commitment to the Code of Conduct. Procedures in place for pecuniary and non-pecuniary interests to be declared at meetings by Cllrs and staff.
28	Regular scrutiny of financial records and proper arrangements for the approval of expenditure, annually reviewed by the Council, records updated for any changes in relevant legislation.	All expenditure approved at Council meetings. Three Approved signatories for cheques. Electronic banking arrangements require two Councillors. Procedures take account of changes in legislation.
29	Regular budget monitoring statements.	Budget and monitoring statements provided to and reviewed by Parish Council.
30	Procedures for dealing with and monitoring grants or loans made or received.	Record maintained of grants received and any conditions required.
31	Minutes properly numbered and page numbered with a master copy kept in safekeeping.	Minutes recorded and page numbered, Master copy maintained.

PART II RISK MANAGEMENT AND CONTROLS

Further to identification of the Council Risks and Controls above, future risks and controls, appropriately graded, have been undertaken as follows:

High Level Strategic Business Objectives & Goals	Risks	Impact (1-5) (5 being highest, 1 being lowest) Probability (1-5 as above) Overall score achieved by multiplying Pxl			Controls
	1- loss of key personnel (Clerk)	4	2	8	Recruit permanent or temporary staff as required.
	2- high level of staff turnover;	4	2	8	Not foreseen at this point.
	3- failure to provide sufficient staff training to meet needs of the council;	3	1	3	SALC does updates and courses attended as and when necessary
	4- Council unable to maintain services due to unexpected/tragic occurrence affecting staff or members;	5	1	5	SALC can help source locum staff. Other members help out
	5- time taken by staff to prepare and respond to Freedom of Information (FOI) requests;	4	1	4	Can only be dealt with ad hoc but unlikely, based on current records.
	6- loss of physical assets;	4	1	4	Asset register maintained and insurance cover provided.
	7- non-performance by 3rd party supplier results in additional expenditure;	2	1	2	No indispensable third party supplier used
	8- loss of cash through theft or dishonesty;	2	1	2	Insurance cover provided (Fidelity Guarantee)
	9- failure to meet financial requirements for HMRC;	2	1	2	Council has its own PAYE reference number. Clerk is paid using PAYE and payroll is administered by SALC. VAT is reclaimed periodically.
	10- failure to keep proper financial records;	2	1	2	Parish Council reviews Finance statement at all

High Level Strategic Business Objectives & Goals	Risks	Impact (1-5) (5 being highest, 1 being lowest) Probability (1-5 as above) Overall score achieved by multiplying Pxl			Controls
					meetings. Bank Statement received regularly by Chairman of PC. Internal Audit is required annually.
	11- failure to ensure all business activities are within legal powers applicable to local councils;	2	1	2	Clerk/RFO ensure that relevant powers exist prior to any new activity being undertaken with advice being sought from SALC as necessary.
	12- breach of employment law leads to claims against the council;	4	1	8	Council would seek advice from SALC.
	13- failure to maintain appropriate records and monitor income & expenditure leads to an overspend;	2	1	2	Parish Council reviews Finance Statement at each meeting. All expenditure is executed by signing cheques or online banking transactions, requiring two Councillors. Internal audit is required annually.
To discharge statutory requirements including:-					
Grit/Salt Bins	1- Suffolk County Council withdraw from replenishing bins;	5	2	10	Statutory duty at present.

High Level Strategic Business Objectives & Goals	Risks	Impact (1-5) (5 being highest, 1 being lowest) Probability (1-5 as above) Overall score achieved by multiplying Pxl			Controls
	2- 3rd party damage/vandalism leads to additional expenditure;	2	2	4	Insurance cover in place.
	3- empty bins are blown onto road/footpath causing accident;	5	2	10	Insurance cover in place.
	4- theft of contents;				Properties nearby are advised of SCC's rules regarding use on highway including pavements only.
Planning & Licensing Consultee	No risks identified to date;				
Engagement with community by Councillors & Staff	1- failure to engage with community by Councillors & Staff;	2	1	2	Contacts are on website: residents attend Parish Council meetings and Annual Parish Meeting. Publicity for all meetings placed on noticeboards and website.
	2- damage to 3rd party property or individuals;	3	1	3	Insured
	3- insufficient funds to support the calling of a Parish elections;	5	1	5	Allowed for in Budget/Precept
To develop staff & Councillors' via appropriate training	1- inability to train staff and also retain staff;	4	2	8	Staff given training opportunities, salary reviewed regularly
	2- staff fail to develop and meet requirements to discharge Council business;	4	1	4	Staff work closely with Councillors and residents.

