

WICKHAMBROOK PARISH COUNCIL
Risk assessment and management (financial) for the period 1 April 2019 to 31 March 2020

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Full Minute – RFO follow up	Diary
	Not paid by DC	L	Confirm receipt	Diary
	Adequacy of precept	M	Quarterly review of budget to actual	Diary
Other Income	Cash handling	L	There is no cash handling – all payments are now done by means of submission of an expenses claim and receipts	n.b. Careful attention to ensure receipts attached to claims and where multiple items on receipt, specific item highlighted. Ensure timely quarterly submission of expenses claims.
	Banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations Move to online banking will enable regular checking of transactions and monthly reconciliations	The Clerk has increased the regularity of Bank Reconciliations (at least bi-monthly which are published on the agenda)
	From Cemetery	M	Burial Register updated for grave allocations as required. Check of burial register to invoices to undertakers. Check of memorial fees work dockets to invoicing.	Clerk has introduced receipts for payments and new cemetery management has been installed and implemented recording transactions
Internet Banking	BACs Payments of Invoices	L	The Council appoints two Councillors (who are not cheque signatories) to verify the schedule of payments made from the internet banking account against sample invoices selected at random on a regular basis.	RFO makes schedule of payments available to Cllrs by pdf doc prior to each ordinary meeting

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	Access codes & passwords	M	The internet banking access codes and passwords are retained securely by the Clerk/RFO and that no internet banking is undertaken on a computer to which the public have access.	Computers are password protected and hard copies kept in locked filing cabinet.
	Online security	M	The Council installs, and keeps updated, anti-virus software on all computers used for Internet Banking.	Clerk to check parish laptops and that Cllrs have virus software on their computers
Grants	Claims procedure	M	Clerk/RFO check as required	Diary
	Receipt of grant when due	M	Clerk/RFO check as required	Diary
Investment Income	Receipt when due	L	Clerk/RFO check as required – no current investment income	n/a
	Surplus funds	L	Review levels and investment policy annually – no current investment income	n/a
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract	Member to verify
	Wrong deductions – NI and Income tax	M	Check to PAYE Calculations PAYE calculations undertaken by appointed third party payroll provider	Member to verify
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	Approval check
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on at least bi-monthly basis	Member to verify
	Cheque payable is excessive or to wrong party	L	Signatory initials Stub & Voucher	Approval check Recommended move to BACS payments with Member authorisation – RFO Investigating
	BACs payment is	M	Invoices circulated to Cllrs in pdf format with Agenda.	Members to verify

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	excessive or to wrong party		Authorised signatories to check payment transaction against invoice before approving.	
Grants & support	No power to pay or no evidence of agreement of Council to pay	M	Minute Council agreement with the power used to authorize payment	RFO check Member verify
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify
VAT	VAT analysis	M	All items in cash book lists	RFO verify
	Charged on purchases	L	Consider all items per cash book lists	RFO verify
	Claimed within time limits	M	RFO to submit at least bi-annually Agree returns submitted	RFO verify
Reserves – General	Adequacy	L	Consider at Budget setting	RFO opinion. 3 year plan
Reserves – Earmarked	Adequacy	L	Consider at Budget and review of final accounts	RFO opinion Reserves have been considered at year end 2019-20 and adjustments made.
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO/member view
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset registers	Diary
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary
	Loss of financial assets	L	The Council advises its insurers and introduces such further safeguards, such as increased fidelity insurance, as may be required by the Insurers.	RFO to advise
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate	RFO/member view 2 month contingency reserve added to 2020-21 budget

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	Fraud by staff	L	Fidelity Guarantee value appropriately set	Council to review annually as part of insurance plan
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of Insurance cover	Diary
Maintenance	Reduced value of assets or amenities – loss of income or performance	M	Annual maintenance inspection	Diary
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers	Diary Financial Standing Orders updated August 2019
Financial Records	Inadequate records	L	RFO/clerk check regularly + internal audit review	Diary
Minutes	Accurate and legal	L	Review at following meeting	Diary
Members interests	Conflict of interest	M	Declarations of interest to be documented/minuted and any conflict addressed as appropriate	Diary Ensure Cllrs leave room when item under discussion if they have declared pecuniary interest.

Reviewed: 28 April 2020_____ Next Review date: March 2021

Approved and Adopted:

Cllr John Barton

Date:

Note: Risk assessment must be reviewed and adopted by council/meeting/board/body annually during the financial year and before 31 March.