

## Financial Risk Assessment 2024 - 2025

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
<b>Assets</b>	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 Update Asset Register after purchases and advise Insurers to ensure schedule is current
	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
<b>Direct Costs and overhead expenses</b>	Goods not supplied to Council	M	Follow up on all orders Where items to be delivered to a third party – check receipt	Approval check
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on at least bi-monthly basis	Clerk to undertake Member to verify
	Cheque payable is excessive or to wrong party	L	Signatory initials Stub & Voucher Check bank details on bottom of invoice each time before payment and update where necessary Ensure bank details and payee verified through bank.	Approval check
	BACs payment is excessive or to wrong party	L	Invoices available to Cllrs at meeting. Authorised signatories to check payment transaction against invoice before approving.	Members to verify Transaction details printed to reverse of invoice as check that details tally.
<b>Election Costs</b>	Invoice at agreed rate	L	RFO check and consider budget Reserves to be built over four year period to cover anticipated contested election costs	RFO verify
<b>Financial Records</b>	Inadequate Records	L	RFO/Clerk check annual & internal audit review RFO/Clerk to ensure receipts where invoices not available. Ensure remittance receipts filed for each credit.	Diary
<b>Grants &amp; support</b>	No power to pay or no evidence of agreement of Council to pay	L	Minute Council agreement with the power used to authorize payment	RFO check Member verify Powers noted in report proposing authorised payments. Have requested accounting software make this possible within accounting package.

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	Claims procedure	M	Clerk/RFO check as required	Diary
	Receipt of grant when due	M	Clerk/RFO check as required	Diary
<b>Internet Banking</b>	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 at each ordinary meeting Investigate whether it is possible to get a record of which Cllr's complete on-line authorisation for each payment.
	Access codes & passwords	M	The internet banking access codes and passwords are retained securely by the Clerk/RFO and 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. Passwords stored securely on LastPass software which is also password protected.
	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
<b>Investment Income</b>	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
<b>Legal Powers</b>	Illegal activity or payment	L	Educate councillors as to their legal powers RFO to identify power for spend when items are identified in reports for authorisation	RFO to check powers when preparing report Updating of Financial Standing orders annually
<b>Loss</b>	Consequential loss due to critical damage or 3 <sup>rd</sup> Party performance	L	Review adequacy of insurance cover	Diary
<b>Maintenance</b>	Reduced value of assets or amenities – loss of income or performance	M	Annual Maintenance Inspection	Diary

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<b>Members Interests</b>	Conflict of Interest	M	Ensure register of interests is completed and up to date Link to Register of Interests to be available on website Declarations of interest and any exclusion of members from relevant agenda items or dispensations to be documented in minutes. Ensure adequate funds set aside for Cllr Training Ensure Cllrs undertake training and understand their role and obligations under new Suffolk Code of Conduct	Diary Ensure members leave room when item under discussion or dispensation has been approved. Ensure minute records when Cllrs leave room for the avoidance of doubt.
<b>Minutes</b>	Accurate & Legal	L	Timely preparation of minutes Review at following meeting Ensure consecutively numbered	Diary
<b>Other Income</b>	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. Monthly bank reconciliations Move to online banking has enabled regular checking of transactions and monthly reconciliations	The Clerk has increased the regularity of Bank Reconciliations (imonthly, 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
<b>Precept</b>	Not submitted	L	Full Minute – RFO follow up	Diary
	Not paid by DC	L	Confirm receipt – check correct bank details when submitting precept request form	Diary
	Adequacy of precept	M	Bi-monthly review of budget to actual	Clerk provides review of income and expenditure at each meeting.
<b>Reserves – General</b>	Adequacy	L	Consider at Budget setting and review bi-monthly and at year end	RFO opinion. A 3 year plan is prepared at each draft budget

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<b>Reserves – Earmarked</b>	Adequacy	L	Consider at Budget, bi-monthly and at year end to move unspent funds into relevant ear-marked reserves. RFO to ensure that spend from reserves is authorised by full council.	RFO opinion Reserves have been considered at year-end adjustments made. Reduction in number of EMR lines for clarity
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO/member view
<b>Salaries</b>	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
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
<b>Segregated Funds</b>	Unidentified	L	Review Minutes	RFO/member view
<b>Staff</b>	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 at 2020-21 budget and carried forwards
	Fraud by Staff	L	Fidelity Guarantee value appropriately set	Council to review annually as part of insurance plan
<b>VAT</b>	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 monthly and report on next agenda. Payment received to be reported on agenda under income.	RFO verify

**Approved and Adopted: Min. 25.04.11**

**Vice-Chair:  
Cllr Paul Couzens**

**Dated: 25<sup>th</sup> April 2024**