

Saxtead Parish Council

Risk assessment and management (financial) for the period 1 April 2017 to 31 March 2018

Income

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Precept	Not submitted	L	Full TC Minute - RFO follow up	Diary	24 months
	Not paid by DC	L	Check & Report To Council	Diary	24 months
	Adequacy of precept	H	Monthly review of budget to actual	Diary	12 months

Expenditure

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Salaries	Wrong salary paid	M	Check to minute	Member verify	12 months
	Wrong hours paid	M	Check to timesheet/contract	Member verify	12 months
	Wrong rate pay	M	Check to contract	Member verify	12 months
	False employee	L	Check to PAYE Records & lists	Member verify	12 months
	Wrong deductions - NI	M	Check to PAYE Calcs	Member verify	12 months
	Wrong deductions - Income tax	M	Check to PAYE Calcs	Member verify	12 months
Direct Costs and overhead expenses	Goods not supplied	M	Order system	Approval check	12 months
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12 months
	Cheque payable is excessive	M	Signatory initials etc Stub & Voucher	Member verify	6 months
	Cheque payable to wrong party	M	Signatory initials etc Stub & Voucher	Member verify	6 months
VAT irrecoverable	VAT analysis	M	All items in cash book lists	RFO verify	12 months
	Charged on sales	M	Consider annually	RFO verify	12 months
	Charged on purchases	L	Consider all items per cash book lists	RFO verify	12 months
	Partial exemption applies?	M		RFO verify	12 months
	Claimed within time limits	M	Agree returns submitted	RFO verify	12 months

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Reserves - General	Adequacy	L	Consider at Budget setting	RFO opinion	12 months
				3 year plan	24 months
Reserves -	Adequacy	L	Consider at Budget and Final a/cs	RFO opinion	12 months

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Earmarked	Earmarked or Contingent liability	L	Review minutes with Chair "Fin Comm"	RFO/member view	12 months
Assets	Loss, Damage et	M	Annual inspection, update insurance and asset registers		24 months
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary	12 months
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training mangt.	"Personnel Comm"	12 months
			Long term sickness, early departure		
	Fraud by staff	L	Fidelity Guarantee value	Council	12 months
			Insurance Company conditions met?		12 months
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	Diary	12 months
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Annual maintenance inspection	Diary	12 months
Borrowing/lending	Adequacy of finances to be able to repay loans	M	Financial review and cashflow forecasting monthly	Diary	
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers	Diary	12 months
Financial Records	Inadequate records	L	RFO/clerk check quarterly + regular internal audit	Diary	12 months
Minutes	Accurate and legal	L	Review at following meeting	Diary	12 months
Members interests	Conflict of interest	M	Update declarations of interest	Diary	12 months

Reviewed and adopted on: 13th April 2017.....Chairman

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