

WOODSETTS PARISH COUNCIL

Risk assessment and management (financial) for the period

1st June 2021 to 31st May 2022

The risk management procedures, as documented below,
were confirmed to be in practice by the Internal
Audit on..... (date)

TOPIC	RISK IDENTIFIED	H/M/L	INTERNAL CONTROL MEASURE	REMEDIAL ACTION
Precept	Not submitted	L	Full Minute- RFO follow up	Diary; January
	Not paid, or wrongly paid.	M	Check understanding of precept requested. Confirm receipt	Diary; Feb ,April/Sept
	Adequacy of Precept	H	Quarterly review of budget to actual	Diary; Jun/Sept/Dec/Mar
Other income	Cash handling	L	Cash handling is avoided with creditors actively discouraged from making cash payments	Annual review of documented controls
	Banking	L	Bank statements checked against recorded receipts. Regular bank reconciliations	Members to verify reconciliations taking place (*Finance Sub Committee to meet Quarterly)
Grants to PC	Claims procedure	M	Clerk/RFO to understand as required	Diary
	Receipt of grant when due	M	Clerk/RFO to pursue as required	Diary
Investment Income	Receipt when due	L	Clerk/RFO to include in monthly statement of accounts when received	Diary
	Surplus funds	L	Review levels and investment policy annually	Diary; May
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract	Members to verify*
	Wrong deductions- NI and Income tax	M	Check to PAYE calculations. Real-time PAYE in operation.	Members to verify*
Direct costs	Goods not supplied to Council	M	Follow up on all orders	Approval check

and overhead expenses	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis	Members to verify*
	Cheque payable is excessive or to wrong party	M	Signatories initial Stub and Voucher	Approval check
Grants and support to groups.	No power to pay or no evidence of agreement of Council to pay	M	Minute Council agreement with the power used to authorize payment. Conditions to be followed or grant withheld.	Members to be made aware of conditions
	Conditions agreed.	L	Agree and document any reasonable conditions inc.payment to	RFO to check
Election costs	Invoice at agreed rate	L	Consider inclusion in budget	RFO to verify
VAT	VAT analysis	M	All items in cash book lists	RFO to verify
	Charged on sales	M	Consider annually	RFO to verify
	Charged on purchases	L	Consider all items per cash book lists	RFO to verify
	Claimed within time limits	M	Agree returns submitted	RFO to 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
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO/Member view
Assets	Loss, Damage, Theft, Breakdown	M	Annual inspection, update insurance and asset registers	Diary; April/May
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance. value set by Insurance company and reviewed for adequacy.	Diary; April/May
Staff	Loss of key personnel (Clerk/RFO)	L	Hours, health, stress, training, long term sick, early departure, - risk monitored and managed as appropriate. Employer's Liability, value set by Insurance company and reviewed for adequacy.	Personnel Committee to meet. Locum support available via internal auditor advice
	Fraud by staff	L	Fidelity Guarantee value set by Insurance company and reviewed for adequacy.	Council to review annually

Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of insurance cover; Renewal date 1 st June. 5 year deal ends 31 st May 2022	Diary; May;
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 and not to commit expenditure without authority	Ongoing
Financial Records	Inadequate records	L	RFO/clerk check regularly + internal audit review; expenditure to be backed by invoices; expenses by receipts	Diary. Members to verify*
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
Supplies & Services	Not achieving best value	M	Competitive tender and/or price comparison	Members to verify*