

# Occold Parish Council

## Risk assessment and financial management for the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024

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

Topic	Risk Identified	H/M/L	Management of risk	Staff action
<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	Member to verify
<b>Direct costs and overhead expenses</b>	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 quarterly basis	Member to verify
	Cheque payable is excessive or to wrong party	M	Signatories initial cheque stub and voucher	Approval check
<b>Grants &amp; support</b>	No power to pay or no evidence of agreement of Council to pay	M	Minute Council agreement with the power used to authorise payment	Member to verify
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
<b>Election costs</b>	Invoice at agreed rate	L	RFO check and consider budget	RFO verify
<b>VAT</b>	VAT analysis	M	All items in payments and receipts spreadsheet	RFO verify
	Claimed within time limits	M	Agree returns submitted	RFO verify
	Charged on purchases	L	Consider all items per accounts spreadsheet	RFO verify
<b>Reserves – General</b>	Adequacy	L	Consider at Budget setting	RFO opinion. 3 year plan
<b>Reserves – earmarked</b>	Adequacy	L	Consider at Budget and review of final accounts	RFO opinion
	Unidentified earmarked or liability contingent	L	Review Minutes	RFO/Member view
<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
<b>Staff</b>	Loss of Clerk	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate	RFO/Member view
	Fraud by staff	L	Fidelity Guarantee value appropriately set	Council review annually
<b>Loss</b>	Consequential loss due to critical damage or third party performance	L	Review adequacy of insurance cover	Diary

<b>Maintenance</b>	Reduced value of assets – loss of income or performance	M	Annual maintenance inspection	Diary
<b>Legal Powers</b>	Illegal activity or payment	M	Educate council as to their legal powers	Clerk to advise councillors
<b>Financial Records</b>	Inadequate records	L	RFO/Clerk check regularly + internal audit	Diary
	Loss of computerised records	L	Back up to secure location	RFO check
<b>Minutes</b>	Accurate and legal	L	Review at following meeting	Diary
<b>Members Interests</b>	Conflict of interest	M	Declarations of interest to be documented/minuted and conflicts addressed as appropriate	Diary
<b>Precept</b>	Not submitted	L	Full minute – Member follow up	Diary
	Not paid by District Council	L	Confirm receipt	Diary
	Adequacy of precept	H	Twice yearly review of budget to actual	Diary
<b>Other Income</b>	Cash handling and banking	L	Cash handling avoided where possible. Check to bank statements, regular reconciliations	Diary
<b>Grants</b>	Claims procedure	M	RFO check as required	Diary
	Receipt of grant when due	M	RFO check as required	Diary
<b>Investment income</b>	Receipt when due	L	RFO check as required	Diary
	Surplus funds	L	Review levels of reserves and investment policy annually	Diary

Reviewed and agreed at meeting of Occold Parish Council on 10 May 2023