



Financial Risk Assessment

Ver. 1.0 Adopted 06/09/2018

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

TOPIC	RISK IDENTIFIED	High (H) Med (M) Low (L)	MANAGEMENT OF RISK	STAFF ACTION	FREQUENCY
Personnel	Loss of Key Personnel	M	It is confirmed that the position of Proper Officer/Clerk/Responsible Finance Officer (RFO) is filled by one person Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate	Clerk/Council	RFO role is confirmed on an annual basis.
	Fraud	L	Fidelity Guarantee Value appropriately set	Members/RFO	Annually
Salaries	Wrong salary/hours/rate paid	L	Check salary, hours and rate to contract. Salary scales and contract provided in accordance to NALC.	Member	Annually
Precept	Not submitted	L	Full PC minutes, RFO to follow up if confirmation email not received.	RFO	Annually
	Not paid	L	Confirm receipt. General reserves held by PC to cover 12mth precept expenditure.	RFO	Annually
	Adequacy of precept	L	Quarterly review of budget to actual.	RFO/Council	Quarterly – June, Sept, Dec, March
Income	Income recorded	L	All income is recorded in the cashbook once received.	RFO	When received
	Reporting of income	L	Income received is reported at the next full parish meeting and recorded in the finance summary.	RFO	When received

TOPIC	RISK IDENTIFIED	High (H) Med (M) Low (L)	MANAGEMENT OF RISK	STAFF ACTION	FREQUENCY
	Banking	L	Direct transfer is encouraged into the council's account. When received cheques (and cash if applicable) are promptly banked via Lloyds Deposit-point envelopes.	RFO	When received
Direct costs	Invoice incorrectly calculated	L	Check arithmetic at receipt of invoice/ check against orders raised (if applicable).	RFO	When received
	Payment procedures				
	Cheques	L	2 signatories required with cheque. Stubs and invoice – to be signed by both parties too.	Council / RFO	When received
			Internal controls and internet banking policy in place.		
	BACS		BACS payments noted at each meeting.	Council / RFO	When received
	DD/SO		DD/SO payments noted at each meeting.	Council / RFO	DD/SO reviewed annually.
Election Costs	Invoice at agreed rate	L	RFO to check on receipt, consider budget.	RFO	Annually/ when received.
Reserves – General	Adequacy	L	Level of reserves to be considered at budget setting	RFO/Council	Annually
Reserves - Earmarked	Adequacy		Level of reserves to be considered at budget setting and review of financial accounts. Known reserves are ringfenced and referenced.	RFO/Council	Annually
Assets	Loss, Damage, etc	M	Annual inspection for all assets carried out, external body contracted for play area assessments.	Council	Annually
	Insurance		Up to date insurance against asset register.		Play area monthly
	Third party risk		Review adequacy of Public Liability Insurance		Annually

TOPIC	RISK IDENTIFIED	High (H) Med (M) Low (L)	MANAGEMENT OF RISK	STAFF ACTION	FREQUENCY
Legal Powers	Illegal activity or payment	L	Educate council to their legal powers	NALC Website / Clerk	Clerk to include legal power in the minutes against payments to be authorised and to check Council has the legal power to carry out a specific action
Financial Records	Inadequate records	L	Internal controls and annual audit ensure financial records are adequate.	RFO/Clerk	Finance report sent to each member for review before every full council meeting. Appointed internal control officer carries out 1/4ly checks.
	Loss of records	L	Office 365 used – 1TB of cloud storage. Personal records kept securely within locked filing cabinet - not for public records.	RFO / Council	Annual
			Controls set for access to the Council's bank accounts and ability to access records		
			Internet Banking controls in form of Internet Banking Policy covers the functioning of the operation of internet banking. RFO to create payment with 2 of 3 signatories to Internet access limited by passwords – renewed on an annual basis.		
	Access to bank records.	L		RFO / Council	Annual
	Internet banking	L		RFO / Council	Annual
Members interests	Conflict of interest	L	Declarations of interest are signed and recorded at every meeting.	Council	Every meeting
	Code of conduct	L	Suffolk Local Code of Conduct have been adopted		