

**Chelmondiston Parish Council****Risk Assessment & Management (Financial)****for 2018-19****EXPENDITURE** [to be viewed by all Parish Council members] Risk is the likelihood of occurrence. Amendments in BLUE

Topic	Risk Identified	H/M/L	Management of Risk	Action	Freq
<b>Salaries Payroll outsourced to SALC</b>	Wrong salary paid	L	Check payslip check with SALC/Cheque signed by Parish Councillors	Verify & minute	Monthly
	Wrong hours paid	L	Check /time sheet/contract/payslip/SALC/Cheque signed by Parish Councillors	Verify & minute	Monthly
	Wrong rate pays	L	Check contract and NALC PayScale's	Verify & minute	Monthly
	Wrong deductions - NI	L	Check payslip check with SALC	Verify & minute	Monthly
	Wrong deductions – Income Tax	L	Check payslip check with SALC	Verify & minute	Monthly
<b>Direct Costs &amp; overhead expenses</b>	Goods not supplied to PC	L	Order system in place/RFO appointed	Approval by PC	On going
	Invoice incorrectly calculated	L	Check arithmetic Signatory initials	RFO/Member verify	On going
	Cheque payable is correct	L	Full PC minute - Signatory + stubs	RFO/Member verify	Monthly
<b>Grants to local organizations Donations</b>	Power to pay	L	Minute power /Advisory Finance Group	RFO/Member verify	On going
	Agreement of PC to pay	L	Full PC Minute	Members verify	On going
	Conditions agreed	L	Use reasonable condition	RFO check	On going
	Cheque payable is correct	L	Full PC minute - Signatory + stubs	RFO/Member verify	Monthly
	Follow up verification	M	RFO check & consider budget	RFO verify	Monthly
<b>Election costs</b>	Unexpected/organized	M	Check with BDC/ consider budget /Plan in Advisory Finance Meeting.	RFO verify	Whenever
<b>VAT</b>	VAT analysis	M	All items in accounts book listed	RFO/Member verify	Monthly/requested annually
	Charged on purchases	L	Consider all items recorded	RFO verify	Monthly

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Topic	Risk Identified	H/M/L	Management of Risk	Staff Action	Freq
Reserves - General	Adequacy ( <b>Up to Precept Amount</b> ) <b>Recommend 6 months</b>	L	Consider at <b>Finance meeting</b> and budget setting & final accounts.	RFO/Advisory	6 monthly
Reserves – Earmarked	Adequacy	L	Consider at <b>Finance meeting</b> and budget setting & final accounts & when necessary	RFO/Advisory	6 monthly
	Earmarked or Contingent liability	L	Review with Advisory Group and Full Council	Plan all reserves	6 monthly
Assets	Loss, Damage etc	H	Annual maintenance inspection, update Insurance & Assets Register. <b>Risk Assessment completed monthly where necessary by Parish Clerk</b>	RFO/members view /Parish Clerk	<b>June/ Monthly</b>
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability insurance. Checks conducted regularly. <b>Asset Register checked by Parish Clerk</b>	Parish Clerk and members	<b>June/Monthly</b>
Staff	Loss of key personnel	H	Health, lone Working, not paid for hours worked.	Review	<b>Annual December</b>
	Fraud by staff	L	Fidelity Guarantee value / internal Audit/ <b>Best Practice in place. Due Diligence Financial Regulations in place.</b>	RFO/PC	<b>Monthly</b>
Cash /Cheques (Dinghy park)	Loss through theft or dishonesty	M	<b>Fidelity Guarantee value. Processes in place for checking purposes. Financial Regulations in place and adhered to.</b>	RFO/PC	<b>6 monthly</b>
Legal Powers	<b>Illegal activity or payment by PC (Ultra Vires) (Beyond its powers)</b>	H	Educate Council as to their legal powers	RFO/Clerk /SALC etc	<b>On going</b>
Financial Records	Inadequate records	L/M	RFO/Clerk/ Advisory Finance Group/Internal and External Audit.	Check monthly	Monthly



<b>Minutes/Parish Minutes</b>	Accurate & Legal	<b>L</b>	Review at following meeting	Chair/Cllrs/Public	Monthly
<b>Code of Conduct Members Interests</b>	Conflict of interest	<b>M</b>	Training/ All Members to have a copy. Update Declarations of Interest Record Declarations in Minutes	Clerk/RFO/ Members	On going
<b>Financial Regulations &amp; Standing Orders</b>	Out of date/not adhered to	<b>L</b>	Update/Review every year (Minuted) & when necessary. All Members to have a copy.	RFO/Clerk/ Members	Annually and when legislation requires.
<b>BANKING RISK</b> Access to telephone banking	RFO/Clerk absent	<b>L</b>	Limited access. Two signatures able to verify details at the bank.	RFO/Clerk Resolved Cllrs Resolved Cllrs	On going
<b>GDPR Risk</b>	<b>Parish Council – to include Corporate Manslaughter and Corporate Homicide insurance.</b>	<b>M</b>	<b>4% of total percept earmarked. Annual Review of Relevant Policies New Councillors – Training. Awareness Parish Councillor Form signed.</b>	<b>Parish Council - Accountability</b>	<b>On going</b>

Prepared by: Jill Davis - Clerk/RFO to Chelmondiston Parish Council

Changes highlighted in BLUE

Recommended at the Advisory Finance Group 29<sup>th</sup> October 2018

Reviewed and Updated 6<sup>th</sup> November – Full Parish Council Meeting.