

Risk assessment and management (Financial) for the period 1st April 2016 to 31st March 2017. To be reviewed January 2017. The risk management procedures, as documented below, were confirmed to be in practice by the Internal Auditor on 9th May 2016 and agreed by Councillors on 9th May 2016

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Full Minute - RFO follow up	Diary
	Not paid by DC	L	Confirm receipt	Diary and put on May and November meeting
	Adequacy of precept	H	Quarterly review of budget to actual	Diary
Other income	Cash handling	L	Cash handling is avoided, but where necessary - appropriate controls are in place	Annual review of documented controls 100+ Club is the only account where cash is handled. Payments are made to Clerk, converted to cash & paid to Les Cullen at 4 monthly intervals. This is historical. A receipt will be issued for signature by Les for prize money. Lottery ticket money is collected by the Village Hall Committee chairman. Cash and cheques will be checked and signed for by the Clerk.
	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations	As above
Grants	Claims procedure	M	Clerk/RFO check as required	Diary
	Receipt of grant when due	M	Clerk/RFO check as required	Diary Report at next meeting with bank statement

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract	Member to verify
	Self employed status challenged	M	Agree with Inland Revenue self employed status	Obtain letter from Inland Revenue and keep on file Letter presented to Internal Auditor & APC Meeting
Direct Costs and overhead expenses	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 monthly basis.	Members to verify at meeting
	Cheque payable is excessive or to wrong party	M	Signatory initials Stub & Voucher	Bank statement presented at next meeting to verify amount paid. Chairman to sign.
Grants & support	No power to pay or no evidence of agreement of Council to pay	M	Minute council agreement with the power used to authorize payment	Members verification minuted as appropriate meeting. Minute or invoice to be notated with statutory power
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify and to be presented in Clerk's Financial report at each meeting.
VAT	VAT analysis	M	All items in cash book lists	RFO verify
	Charged on sales	M	Consider annually	RFO verify
	Charged on purchases	L	Consider all items per cash book lists	RFO verify
	Claimed within time limits	M	Agree returns submitted	RFO verify

Topic	Risk Identified	H/M/L	Management of Risk	Staff action
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 etc	M	Annual inspection, update insurance and asset registers	Asset register presented and reviewed at APC meeting
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Review at July meeting when insurance reviewed
Staff	Loss of key personnel (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 to review annually
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of Insurance cover	Diary
Maintenance	Reduced value of assets or amenities -loss of income or performance	M	Annual maintenance inspection	Diary for January meeting
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers	Councillors to access The Good Councillors' Guide on NALC website
Financial Records	Inadequate records	L	RFO/clerk check regularly + internal audit review	Financial report to each Council meeting to include Bank statements
Minutes	Accurate and legal	L	Review at following meeting	Councillors receive draft Minute in good time whilst memories are fresh

Members interests	Conflict of interest	M	Declarations of interest to be minuted and any conflict addressed as appropriate	Minute to record when a member leaves and rejoins meeting
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Reviewed and adopted on: 9th May 2016. Minute reference 6/1617/d