

## CODDENHAM PARISH COUNCIL

### RISK ASSESSMENT AND MANAGEMENT (FINANCIAL) FOR THE PERIOD 1 APRIL 2020 TO 31 MARCH 2021

TOPIC	RISK IDENTIFIED	RISK LEVEL H/M/L (H – HIGH M – MEDIUM L – LOW)	MANAGEMENT OF RISK	ACTION
Precept	Not Submitted	L	Budget and precept setting process, for the following financial year, considered as from September, allowing time for any revisions before Council consideration and final adoption.  Council adoption to be minuted. The RFO to submit the demand to the district council.	Diarise – Finance Panel meeting(s) and Parish Council meeting (s), being mindful of the deadline of 31 January.
	Not paid by the district council	L	Confirm receipt of payment from the district council.	Diarise
	Adequacy of precept	M	Monthly review of budget to actual spend / receipt.	Monthly Financial Report distributed to council.
Other Income	Cash handling	L	The Council does not hold petty cash.  Any cash received is banked immediately.	Annual review of documented controls.
	Cash banking	L	Undertake regular reconciliations.	Member to verify bank reconciliations and action to be minuted at Council meeting.
	From Allotments	M	Reconcile allotment register, invoices issued and payments received.	Member to verify and action to be minuted at Council meeting.
Grants	Claims Procedure	M	Clerk/RFO check as required.	Diarise

	Receipt of grant when due	M	Clerk / RFO check as required.	Diarise
Investment Income	Receipt when due	L	Clerk / RFO check as required.	Diarise due date(s)
	Surplus Funds	L	Review levels and investment policy annually.	Diarise policy review date.
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract.	Member to verify.
	Wrong deductions - PAYE	M	Check to PAYE calculations.	Member to verify.
	Self-employed status challenged.	M	Agree with HMRC.	Obtain letter from HMRC and keep on file.
Staff	Loss of key personnel (clerk)	L	Hours, health, stress, training, long-term sick, early departure – risk monitored and managed as appropriate.	Diarise annual staff appraisals.
	Fraud by staff	L	Fidelity Guarantee value appropriately set.	Council to review value at least annually.
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 undertake bank reconciliations on a monthly basis.	Member to verify.
	Payable amount is incorrect or made to the wrong payee.	M	Member bank authorities (signatories) to check 'set up' payments against invoices.	Approval check.
Grants & Support	No power to pay or no evidence of	M	Adopt a Grant Awarding Policy.  Minute Council agreement with the power used to authorise payment.	Member to verify.

	agreement of council to pay.			
	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.
VAT	VAT analysis	M	Check invoices against cash book entries.	RFO verify.
	Claimed within time limits.	M	Submit returns at least annually.	Diarise.
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 register.	Diarise.
	Risk or damage to third party property or individuals.	M	Review adequacy of public liability insurance.	Diarise.
Loss	Consequential loss due to critical damage or third party performance.	L	Review adequacy of insurance cover.	Diarise.
Maintenance	Reduced value of assets or amenities.	M	Annual maintenance inspection.	Diarise.

Legal Powers	Illegal activity or payment.	H	Educate councillors as to their legal powers by them undertaking councillor training.	Diarise.
Financial Records	Inadequate records.	L	RFO / Clerk check regularly.. Annual internal audit review	Diarise.
Minutes	Accurate and legal.	L	Review and signed at following meeting.	Diarise.
Members Interests	Conflict of interest.	M	Declarations of interest to be documented / minuted and any conflict address as appropriate.	Diarise.

Reviewed and adopted on : 18 March 2021 minute # 2020/21 168

Note: The Risk Assessment must be reviewed and adopted by Coddendam Parish Council annually during the financial year and before 31 March.