



Risk Assessment and Management (Financial) for the Period 1 April 2018 to 31 March 2019

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

This is the second year of operation of the Council and risk management procedures have been implemented over the course of the year.

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Full Minute – RFO follow up	Confirmation of receipt of demand to be obtained in writing from DC.
	Not paid by DC	L	Diary - Confirm receipt	Two payments received – checked against statement. Diary
	Adequacy of precept	H	Diary – Agendas for Finance and Governance Committee (F & G) and Full Council - Quarterly review of budget to actual.	Reporting to F & G (and related budget working group) and Full Council.
Other Income	Cash handling	L	Cash handling is dealt with through a petty cash system, controls are in place – RFO and reporting to F & G/Full Council.	Annual review of petty cash policy. Petty cash reconciliation taking place (Cllr Coleby).
	Cash banking	L	Segregate duties and check to bank statements. Regular bank Reconciliations.	Member verifying reconciliations - taking place (Cllr Coleby). Cash banking reduced as leisure fees free for trial year 2018/19.
	Cheques	L	Segregate duties and check to bank statements. Regular bank reconciliations.	Member verifying reconciliations - taking place (Cllr Coleby).
	From tenants	M	Invoicing being dealt with through RBS. Non-payments being monitored and reported to RFO.	Member verifying reconciliations - taking place (Cllr Coleby). Reporting to F & G Committee and Full Council.
External grants to the Council	Claims application and procedure complied with	M	Clerk/RFO checks as required.	Diary
	Receipt when due	M	Clerk/RFO checks as required	Diary

Investment Income	Receipt when due	L	Clerk/RFO check as required	Diary
	Surplus funds	L	Review levels and investment policy annually	Diary
Salaries	Wrong salary/hours/rate paid	M	RFO Check. Check salary to minute, check hours and rate to contract. Independent payroll provider used	Two members to verify payments schedule
	Wrong deductions – NI and Income tax	M	Independent payroll provider used (Brightpay software). Check to PAYE calculations	Two members to verify payments schedule
	Insufficient safeguards	M	External independent payroll provider used. RFO and member checks	Part of member verification checks; includes payslips
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	Approval check - RFO
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis	Member to verify – Cllr Coleby
	Cheque payable is excessive or to wrong party	M	Signatory initials - stub & voucher	Approval check – RFO Members approval checks
Grants & support	No power to pay or no evidence of agreement of Council to pay	M	Clerk/RFO checks as required. F & G/Council decision. Minute Council agreement with the power used to authorise payment/check alignment with Council powers table. Staff trained and qualified and member training also made available.	RFO advice - Member decision
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
Election Costs	Invoice at agreed rate	L	RFO check - F & G monitor	RFO verify
VAT	VAT analysis	M	All items in cash book lists using WDC s.113 LGA 1972 or internal controls. Transition being managed to internal software.	RFO verify and WDC VAT officer supports
	Charged on sales	M	Consider annually	RFO verify with WDC officer
	Charged on	L	Consider all items per cash book lists	RFO verify with WDC officer

	purchases			
	Claimed within time limits	M	Agree returns submitted	RFO verify with WDC officer
Reserves – General	Adequacy	L	Consider at Budget setting and review of final accounts	RFO opinion. Particular care taken as 2017/18 budget set by WDC. The same will apply in 2018/19 as the Council is still relatively new.
Reserves – Earmarked	Adequacy	L	Consider at Budget setting and review of final accounts	RFO opinion. Particular care taken as 2017/18 budget set by WDC. The same will apply in 2018/19 as the Council is still relatively new.
	Unidentified earmarked or contingent liability	L	Minutes checked by RFO and reports to F & G	Financial records under review as in transition. Overarching budget and breakdown to help ensure detailed records per asset and service
Assets	Loss, Damage etc	M	Annual inspection, update insurance, valuations during transition and asset registers. Checks with contractors.	Diary
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary
Staff	Loss of key personnel	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate. Personnel Committee in place. Insurance in place. Procedures in place for probation, appraisal and staff management	RFO/member review.
	Fraud by staff	L	Fidelity Guarantee value appropriately set. Member safeguard checks and internal controls in place	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	M	Annual maintenance inspection and contract arrangements in place	Diary

	of income or performance			
Legal Powers	Illegal activity or payment	H	RFO checks and advice. Educate Council as to their legal powers	Diary
Financial Records	Inadequate records	L	RFO/clerk check regularly & internal audit review	Diary
Minutes	Accurate and legal	L	Review at following meeting	Diary
Members interests	Conflict of interest	M	Declarations of interest to be documented/minuted and any conflict addressed as appropriate	Diary

Reviewed and adopted on 12 March 2019 Full Council

Note: Risk assessment must be reviewed and adopted by council/meeting/board/body annually during the financial year and before 31 March.