

## Financial Risk Assessment

<b>Business Activity</b>	<b>Risks identified</b>	<b>Risk Level H/M/L</b>	<b>Procedures to control risk</b>	<b>Review and/ or extend</b>
Precept	Inadequate Precept	H	<ol style="list-style-type: none"> <li>1. Precept Agenda Item November each year</li> <li>2. Budget calculation provided to Councillors for review prior to November meeting.</li> <li>3. Annual budget reviewed and current year values considered when estimating precept</li> <li>4. Quarterly review and reconciliation of budget and expenditure.</li> </ol>	Review Precept annually for following year.
Insurance	Adequacy and compliance	M	<ol style="list-style-type: none"> <li>1. Review cover against asset register annually.</li> <li>2. Employers Liability, Public Liability and Fidelity risks cover required.</li> <li>3. Review cover against public liability of playgrounds and Cemetery.</li> </ol>	Review provision and compliance annually. Provide insurers with upto date asset register annually.
Banking	Inadequate checks	L	<ol style="list-style-type: none"> <li>1. Detailed Financial Arrangements in place that define cheque signing arrangements, approval of cheques for payment, electronic payments and reconciliation of accounts.</li> </ol>	Financial regulations reviewed annually by the Clerk.
Cash	Loss through theft or dishonesty	L	<ol style="list-style-type: none"> <li>1. No petty cash or float is held.</li> <li>2. Any cash transactions on behalf of the Council must be fully receipted and then reimbursed by monthly cheque / electronic payment and documented in the Minutes of the Parish Council</li> </ol>	Financial regulations reviewed annually by the Clerk.
Financial Controls and records	Inadequate checks Loss of records	L	<ol style="list-style-type: none"> <li>1. Quarterly reconciliation of accounts prepared by the RFO (Clerk), Checked by the Internal Auditor and presented to the Parish Council.</li> </ol>	Financial regulations reviewed annually by the Clerk.

			<ol style="list-style-type: none"> <li>2. Three signatures required on cheques.</li> <li>3. Three signatures required to authorise electronic payments.</li> <li>4. Internal and external audit annually.</li> </ol>	
Payment of Statutory PAYE and NI	Failure to pay statutory amounts	M	<ol style="list-style-type: none"> <li>1. Payroll is handled by a professional payroll package that automatically calculates all amounts due.</li> <li>2. The Clerk checks the amount due to HMRC on a quarterly basis and includes the due payment in the next financial list of payments to be authorised by the Parish Council</li> </ol>	Check annually that PAYE and NI deduction is up to date by logging onto the HMRC website.
Freedom of Information Act	Statutory police requirements	L	<ol style="list-style-type: none"> <li>1. The Council has a Model Scheme for publication in place.</li> <li>2. The Council can obtain payment for providing hard copy but is aware that a significant request under FOI legislation could place a financial cost on the Council.</li> <li>3. Requests for information by the monitoring officer have been limited under the Council's Code of Practice for dealing with complaints</li> <li>4. Document retention complies with NALC model.</li> </ol>	Monitor and report annually any costs incurred under FOI enquiries. Review the FOI Policy annually.
Clerk	<p>Loss of Clerk</p> <p>Fraud</p> <p>Actions</p> <p>Correct salary payments allocated</p>	<p>M</p> <p>L</p> <p>L</p>	<ol style="list-style-type: none"> <li>1. Include contingency reserve to cover advertising and training costs.</li> <li>2. Financial regulations and checks to contain risk with self-cover of risk.</li> <li>3. Provision of funds for training as required.</li> <li>4. Annual internal Audit to confirm payments made.</li> </ol>	<p>Financial regulations reviewed annually.</p> <p>Monitor training needs annually</p>

Pension	Not complying with Statutory requirements	L	<ol style="list-style-type: none"> <li>1. Maintain Cubert Parish Council on register of eligible organisations.</li> <li>2. If any employees salary exceeds the tax free allowance then implement the pension scheme requirements (If employee is under Pension age)</li> <li>3. If any employee requests in writing to be included in a pension scheme then implement the pension scheme requirements.</li> <li>4. Include contingency sum for employer pension contribution in annula budget and precept.</li> </ol>	
Election Costs	Unplanned election mid term	H	<ol style="list-style-type: none"> <li>1. Include sum within contingency reserves to cover election costs at £2500.</li> </ol>	
Annual return	Not submitted within time limit	L	<ol style="list-style-type: none"> <li>1. Annual return completed by clerk and approved by Council.</li> <li>2. Internal Auditor checks and approves before submission to external auditor.</li> </ol>	Ensure completed as an agenda item at May Council meeting.