

SHERE PARISH COUNCIL

Financial General Risk Assessment

Annual approval by Council – 2019

(Please note that Finance Matters are also covered by the Council's own Financial Regulations and the Internal Audit Policy)

Potential Risk Topic	Risk Identified	High/Medium Low Risk	Management of Risk Existing Controls & procedures	What further action could be taken?	Action to be taken by
Precept	Request not submitted	L	Full Parish Council minute showing complete precept. Diary note.		
	Not paid by Borough Council	L	Checked and reported to full council. Reserves held. Diary note. Paid by BACS.		
	Adequacy of precept	M	Review of budget to actual by Members/Committees. Diary note.		
Tanyard Hall Income	Cash Handling	L	Receipts reported to Council at each full Council meeting. Reconciled to cash book. Receipts for cash issued.		
	Cash Banking	L	Receipts reported to Council at each full Council meeting. Reconciled to cashbook. Bank reconciliation submitted to Council and checked by Chairman quarterly. Diary note.		
Grants from G.B.C.	Grant not received	L	RFO check & reported to full council		
Investment Income	Surplus funds	L	Policy reviewed annually. Diary note.		
Reserves – General	Adequacy	L	Considered at Budget setting and all other Finance Committee meetings. Opinion of RFO also considered.		
Reserves – Earmarked	Adequacy	L	Considered at Budget and at year end. Opinion of RFO sought. Diary note.		

Assets	Loss, Damage etc.	M	Quarterly inspections, insurance in force and sums insured checked annually. Asset register updated annually – diary note.		
	Risk or damage to third party property or individuals	M	Adequacy of Public Liability Insurance reviewed annually. Diary note.		
Loss	Consequential loss due to critical damage or third party performance	L	Adequacy of insurance cover reviewed annually. Diary note.		
Cash	Loss through theft or dishonesty	L	Adequacy of Fidelity guarantee insurance reviewed annually. Financial regulations and internal audit procedures in operation. Diary note.		
Maintenance	Wear and Tear/Damage to assets/amenities. Loss of income	L	Regular inspections made by Councillors and Clerk and reported to Council. Diary note.		
Borrowing/lending	Adequacy of finances to be able to repay loans	N/A	Financial review and cashflow quarterly forecasting	N/A	N/A
Legal Powers	Illegal activity or payment	L	Power to spend stated in minutes. Council informed as to legal powers. Clerk attends relevant trainings.		
Best Value	Overspend on services	M	Ensure correct tendering for services. Estimates obtained prior to precept if possible.		
Salaries	Wrong salary paid	L	Checked to minute and budget. Verified by internal auditor and Chairman.		
	Wrong rate of pay	L	Checked to minute and budget. Verified by internal auditor and Chairman.		

	Wrong deductions PAYE	L	Checked to PAYE Calculations. Notified to Council, checked by Chairman and Internal Auditor.		
Salaries	False employee	L	Checked to PAYE Records & lists. Checked by Chairman and Internal Auditor.		
Direct Costs and overhead expenses	Goods not supplied to Parish Council	L	Clerk confirms, Member verifies.		
	Invoice incorrectly calculated	L	Arithmetic checked by Clerk, invoice examined by two councillors.		
	Cheque/payment payable is in excess of budget	M	Invoice/payment authorised by 2 councillors. Council informed via monthly cheque list submitted for approval.		
	Cheque/payment made to wrong party	L	Signatory checks by 2 councillors.		
Grants & Support	Power to pay	M	Minute power. Council verify.		
	Agreement of Council to pay	L	Agenda/Budget item. Minuted and payment/cheque authorised by 2 Councillors.		
	Conditions agreed	L	Payable on receipt of final invoice. RFO checks.		
Election Costs	Estimate only given by GBC – Late submission of Borough Council invoice	H	RFO, Finance Committee and full Council checks/considers budget. Any discrepancy reported to full Council.		
VAT irrecoverable	VAT analysis	M	All items listed in cash book. Diary note for submission of return to Customs & Excise. Verified by Internal Audit.		
	Exemption applies	L	RFO verifies.		
	Claimed within time limits	M	Reported to full council – minute. Subject to internal audit and verified		

			by Chairman. Diary note.		
Financial Records	Inadequate records	L	Checked annually plus regular internal audit. Diary note.		
Minutes	Accurate and legal	L	Reviewed by Council/Committee at following meeting.		
Members interests	Conflict of interest	M	Declarations of interest updated at each Council meeting with reminder note printed on agenda.		

Reviewed and adopted by the Full Council on _____