

MIDDRIDGE PARISH COUNCIL

Risk Assessment and Management (Financial)

This Policy was adopted at a Meeting of Middridge Parish Council on 2nd March, 2015.

NOTES

In the Tables that follow:-

Level = Level of Risk; H = High, M = Medium, L = Low.

Management of Risk = what is done to minimise the Risk

Action = who carries out Management and/or what triggers it; Diary = Clerk's Calendar/Diary

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Topic	Risk Identified	Level	Management of Risk	Action	Review Months
Income					
Precept	Claim not submitted	L	Council check March – RFO follow up	Diary	24
	Not paid by DCC	L	RFO to check & report to Council	Diary	24
	Adequacy of Precept	H	Finance review at every Council Meeting	Diary	12
LCTSS Grant	Wrong Grant calculated	L	RFO to check DCC calculation	Diary	12
	Not paid by DCC	L	RFO to check & report to Council	Diary	12
Parish Paths Maintenance	Annual Claim submitted	L	Council check in March – RFO follow up	Diary	12
	Payment Claim(s) not submitted	M	Council check – RFO follow up	Diary	12
	Refunds not paid	L	RFO to check & report to Council	Diary	24
VAT Refund	VAT paid not recorded	M	RFO to check + Invoices retained	Diary	12
	Claim not submitted	M	Council check September – RFO follow up	Diary	12
	Refund not paid	L	RFO to check & report to Council	Diary	24

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Topic	Risk Identified	Level	Management of Risk	Action	Review Months
Expenditure					
Clerk's Salary	Wrong Salary claimed	M	Check to PAYE Calculations	Council verifies	12
	Wrong deductions – NI	M	Check to PAYE Calculations	Council verifies	12
	Wrong deductions – Income Tax	M	Check to PAYE Calculations	Council verifies	12
	Salary Cheque	M	Signatory initials etc Stub & Voucher	Members verify	12
Direct Costs and Overhead Expenses	Goods not supplied to Council	M	Order System	Approval check	12
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12
	Cheque payable is excessive	M	Signatory initials etc Stub & Voucher	Members verify	6
	Cheque payable to wrong party	M	Signatory initials etc Stub & Voucher	Members verify	6
Grants	Agreement of Council to pay	L	Minute	Members verify	12
	Any Conditions agreed	L	Use reasonable Conditions	RFO	12
	Cheque & voucher	M	Signatory initials etc Stub & Voucher	Members verify	12
	Follow up verification	M	RFO check	RFO	12
Reserves - General	Adequacy	L	Consider at Precept setting	RFO opinion	12
Reserves – Earmarked	Adequacy	L	Consider at Precept and Final Accounts	RFO opinion	12
	Earmarked or Contingent liability	L	Review Minutes with Council Chair	RFO/Member view	12
Assets	Loss, Damage etc	M	Regular Inspections. Update Insurance and Asset Registers.	Diary	24
	Risk or damage to Third Party Property or Individuals	M	Review adequacy of Public Liability Insurance	Diary	12
Staff	Loss of Clerk	L	Hours, Health, Stress, Training Management. Long Term Sickness, early Departure	Council	24
	Fraud by Clerk	L	Fidelity Guarantee Value Insurance Company conditions	Council	12
Borrowing/lending	Adequacy of Finances to be able to repay Loans	M	Finance review at every Council Meeting	Diary	12

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Financial Records	Inadequate Records	L	RFO check monthly + regular Review	Diary	12
Minutes	Accurate and legal	L	Review at following Meeting	Diary	12
Members Interests	Conflict of Interest	M	Update Declarations of Interest	Diary	12
Legal Powers	Illegal Activity or Payment	H	Educate Council as to their Legal Powers	Diary	24