

## Finance & Governance Risk Assessment

Topic	Risk Identified	H/M/L	Management of Risk	Staff Action	
THEFT/MISAPPROPRIATION	Banking	L	RFO is not a signatory Two Councillors authorise online payments or sign cheques Monthly bank reconciliation presented to full council Internal control councillor & Chairman not signatories	RFO/Diary	Monthly
CONTROL OF PUBLIC MONEY	Poor budgeting	L	RFO drafts budget. ICC's review & amend budget. Budget discussed by full council then approved	RFO/ICC/Full Council	Annually
	Poor budget control	L	Actuals compared to budget on a monthly basis. Checked by ICC quarterly	RFO/Full Council/ICC	Monthly
PRECEPT	Not submitted	L	Minutes	Diary/RFO/Member verify	Annually
	Not paid by WNC	L	RFO to chase payment	Diary/RFO report	Bi-annually
	Adequacy of precept	H	Monthly budget review by full council	RFO/Full Council/F&GP	Monthly
GRANTS/CIL/S106 INCOME	Claims procedure	M	RFO to ascertain available grants	RFO to inform Council	As and when
	Receipt of grant	M	Full Council Minutes	RFO to inform Council	As and when
GRANT'S PAID OUT	Power to pay	M	Council holds General Power of Competence	RFO/Member verify	Relevant annual meeting
	Agreement of council	M	Minutes	RFO/Member verify	Annually
	Conditions met	L	Use reasonable conditions	RFO to check	Annually
	Follow up verification	L	Report/receipts to council from groups	RFO to verify	Annually

INSURANCE	Appropriate cover	L	Annually reviewed & asset register updated regularly with new assets being added to insurance schedule	RFO/Full Council	Annually/Ongoing Locked to Aviva via Clear Councils until 2027
INVESTMENT INCOME	Adequate return	L	Review annually	Diary/RFO to inform Council	Annually
CONTRACTORS	Work to good standard & legal	L	Contracts in place & reviewed, Public Indemnity Insurance seen	Ongoing	Ongoing
SALARIES	Wrong salary paid	M	Check to contract	Member verify – internal control	Monthly
	Wrong hours paid	M	Check to timesheet	Member verify – internal control	Monthly
	Wrong pay rate	M	Check to contract	Member verify – internal control	Monthly
	Wrong deductions	M	Check to PAYE calculations	Payroll completed by outside specialist. SLA in place.	Monthly
	Pension obligations	L	Payroll specialist undertakes	Payroll specialist	Monthly
	Salary review	L	Annually at Clerk's appraisal. Grounds staff also reviewed as part of process.	RFO/Full Council	Annually
INVOICES NOT PROCESSED CORRECTLY OR PAYMENTS MADE INCORRECTLY	Goods not supplied	M	Order system/Minutes	RFO to chase/report to Council	Monthly
	Invoice incorrect	L	Clerk/RFO to check	Member verify – internal control	Monthly
	Payment incorrect	M	Internal control initials invoice	Member verify – internal control	Monthly
	Payment to wrong party	M	Internal control initials invoice	Member verify – internal control	Monthly
	Duplicate payment	L	RFO to use blank payment template each month not copy from previous month	RFO	Monthly
ELECTION COSTS	Invoiced at agreed rate	L	RFO check and consider budget	RFO to check	When needed
VAT	Claimed within limits	M	Agree returns, submitted on time/Minutes	RFO/ verified by ICC	Annually
RESERVES GENERAL	Adequacy	L	Consider at budget setting approved by full council	RFO/member review	Annually
RESERVES EARMARKED	Adequacy	L	Consider at budget setting approved by full council	RFO/member review	Annually
ASSETS	Loss or damage	M	Annual inspection, update insurance and asset registers	Member verify/RFO update	Annually

THIRD PARTIES	Risk or damage to property or people	M	Review adequacy of Public Liability insurance/risk assessments	Council	Annually
STAFF	Legal issues	L	NALC model contract of employment used and reviewed	NALC/SLCC	When required
	Loss of key personnel	M	Hours, health, stress/supervision	Member/RFO review	Ongoing
	Fraud	L	Fidelity guarantee	Council	Annually
	Salary	L	PAYE operated by independent 3 <sup>rd</sup> party	Annual	Annually
LOSS	Consequential loss due to critical damage	L	Adequate insurance cover	Diary	Annually/when needed
CASH	Loss through theft or dishonesty	L	Adequate insurance cover/ cash handling procedures	No cash/petty cash held	Ongoing
MAINTENANCE	Poor performance of assets	M	Maintenance inspection regime in place	Diary	As required
STATUTORY POWER TO PAY	Illegal activity or payment	H	Ensure council has adequate powers	Competent trained RFO/Clerk	ongoing
FINANCIAL RECORDS	Inadequate records	L	Clerk maintains proper records Ongoing checks by internal control councillors Accounts presented to each full council meeting Internal/external audits	RFO/Council – internal control	Monthly
				Internal/external auditor	Annually
MINUTES	Accurate and legal	L	Review at following meeting	Council	monthly
MEMBERS INTERESTS	Conflict of interest.	M	Update declarations of interest	Member review	When needed
RECORD KEEPING	Security	M	Clerk keeps all records securely at home	Clerk	Ongoing
	Electronic records	M	Clerk keeps PC security up to date, regularly backs up data.	Clerk	Ongoing
WEBSITE	disruption	L	Developed & hosted by professional company recommended by NALC. GDPR & Accessibility duties covered	Cuttlefish	Ongoing
	Lack of required information	L	Clerk regularly updates website and loads documentation in a timely manner	Clerk	Ongoing