



Parish Office, Sports Pavilion, Hundred Acre Way, Red Lodge, Suffolk, IP28 8FQ

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<http://redlodge.suffolk.cloud/>

## Risk Assessment and Management (Financial) for the Period 01 April 2021 to 31 March 2022

The risk management procedures, as documented below, were confirmed to be in practice by the Internal Auditor on the following date: .....

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Full Minute – RFO follow up	RFO and Clerk
	Not paid by DC	L	Confirm receipt	RFO
	Adequacy of precept	H	Quarterly review of budget to actual	RFO
Other Income	Cash handling	L	Cash handling is avoided, but where necessary – appropriate Controls are in place	RFO and Internal Auditor
	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations	RFO and Internal Auditor
	From Allotments	L	Clerk and RFO as required	RFO
Grants	Claims procedure	M	Clerk/RFO check as required	RFO and Clerk
	Receipt of grant when due	M	Clerk/RFO check as required	RFO and Clerk
Investment Income	Receipt when due	L	Clerk/RFO check as required	RFO and Clerk
	Surplus funds	L	Review levels and investment policy annually +	RFO

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Salaries	Incorrect salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract	Clerk
	Incorrect deductions – NI and Income tax	M	Check to PAYE Calculations	RFO
	Self-employed status challenged	–	NOT APPLICABLE	–
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders on the purchase order spreadsheet	RFO
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis	RFO
	Cheque payable is excessive or to wrong party	M	Signatory initials Stub & Voucher	RFO
	Credit card misuse	M	Limit use to £1000 per month. Card stored securely. Signature of user and signatory recorded. Written procedure for credit card use to be adhered.	RFO
	Fuel Card Misuse	M	Card issued to limited users. Card stored securely. Signature of card user and signatory recorded accordingly.	RFO
	Internet payments, BACS transfers, Direct Debits	M	Payments only to be made by RFO. All payments and set up of Direct Debits require signatures of 2 bank signatories.	RFO and signatories
Grants & support	No power to pay or no evidence of agreement of Council to pay	M	Minute council agreement with the power used to authorize payment	Members and Clerk
	Conditions agreed	L	Agree and document any reasonable conditions	Members, Clerk and RFO
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO
VAT	VAT analysis	M	All items in cash book lists	RFO
	Charged on sales	M	Consider annually	RFO
	Charged on purchases	L	Consider all items per cash book lists	RFO
	Claimed within time limits	M	Agree returns submitted quarterly	RFO
Reserves – General	Adequacy	L	Consider at Budget setting	RFO opinion. 3 year plan
Reserves - Earmarked	Adequacy	L	Consider at Budget and review of final accounts	RFO opinion
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO and members

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset registers	RFO and Internal Auditor
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	RFO
	Variance	M	Identify any variance, report new acquisitions, disposals and gifted items	RFO
Staff	Loss of key personnel (Clerk)	M	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate	Members
	Fraud by staff	L	Fidelity Guarantee value appropriately set	RFO and Council to review annually
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of Insurance cover and the fidelity guarantee insurance	RFO and Clerk
Maintenance	Reduced value of assets or amenities – loss of income or performance	M	Annual maintenance inspection	Members, RFO, Clerk and Operations Manager
Legal Powers	Illegal activity or payment	H	Educate Councillors as to their legal powers	Clerk and Members
Financial Records	Inadequate records, Internal Controls and minutes	M	RFO and Clerk check regularly and review Internal Audit, Standing Orders and Financial Regulations	RFO, Clerk and Internal Auditor
Minutes	Accurate and legal	L	Review at following meeting	Clerk
Members interests	Conflict of interest	M	Declarations of interest to be documented/minuted and any conflict addressed as appropriate	Clerk

Reviewed and adopted on: \_\_\_\_\_