

SUTTON IN CRAVEN PARISH COUNCIL RISK ASSESSMENT FINANCIAL

ITEM	DETAIL	ASSESSMENT	ACTIONS	COMMENTS
Book Keeping	Record of the Council's income and expenditure	Inaccurate or failure to maintain records properly could lead to loss of income, overcharging by suppliers or misappropriation of Council funds	Review Financial Regulations Annually	Computer system, regular reconciliation of books and bank statements Supporting vouchers, invoices and receipts Monitored by Council and Chairman on a regular basis. Computer records regularly backed up
Purchase Orders	Goods, services and works acquired on behalf of the Council	Failure to observe Standing Orders and Financial Regulations could lead to overpayment, improper acquisitions or breach of Code of Conduct	Review Financial Regulations Annually	Budget amounts verified Reference to council minutes
Purchase Payments	For goods, services and works on behalf of the Council	Potential for overpayment and inappropriate payments.	Review Financial Regulations Annually	Payment after receipt All cheques signed by two Councillors, against Invoices Internet banking authorised for payments All expenditure approved by Council on monthly basis signed by two Councillors monitored by Chairman/councillors on a regular basis. Accounts subject scrutiny by Internal Auditor, and overview by External Auditor
Annual Budget	Statement of Council's estimated income and expenditure each year	Risk of failure to provide for services to be provided, over/under statement of Precept.	Review Financial Regulations Annually	Half yearly reports of expenditure against budgeted figures

				Reminder normally sent by Principle Authority for precept request
Income	Precept and other income received by Council	Lack of controls could result in loss of income, misappropriation of cash	Review Financial Regulations and fidelity Insurance Annually	Council fees and charges reviewed annually Origin entered on paying –in slips Listed monthly for Council approval
Petty Cash	Minor operating expenses of the Council	Lack of control could result in misappropriation of cash	Review Financial Regulations Annually	Any payments listed with accompanying receipt, checked monthly
Payroll	Payment of wages and salaries to Council employees	Failure to deduct, correct tax and NI contributions, failure to comply with current legislation on Employment terms and conditions	Review Financial Regulations Annually	Salaries/wages agreed by Council Computer Payroll systems updates latest legislation All payments and deductions reported at monthly Council Meeting Monitored by Chairman on a regular basis.
Bank Reconciliation	Record of the Council's transactions in respect of income and expenditure	Failure to undertake monthly reconciliation could result in loss of income, inappropriate payments or misappropriation of funds.	Review Financial Regulations Annually	Monthly Bank Reconciliation of all Accounts Monitored and approved monthly by Council Internet Banking approved for transfers, Invoices and to aid bank reconciliations
Asset Control	Record of the Council's Assets and investments	Failure to maintain or review could result in undervaluing. E.g. insurance	Review Asset register Annually	Cross checked with Insurance
Year End Accounts	Statement of financial activity of the Council for each year	Failure to provide an accurate statement of the Council's financial transactions for each year.	Review Financial Regulations Annually	Copies given to all Councillors for approval

Insurance	Insurance cover provided for Council's financial and other activities	Inadequate cover could lead to financial loss and legal claims against the Council.	Review Insurance Schedule Annually	Municipal Insurance £10million Public liability £10 million Employers Liability £100,000 Fidelity Insurance £250,000 Money £250,000 Libel Slander £100,000 Legal Expenses Physical Assets Furniture & Equipment
Financial Records	Record of Council's Financial transactions.	Failure to ensure safekeeping and updating of records	Review Financial Regulations Annually	Backup system in place Deeds in Safety deposit box
Internal Audit	Review of systems and controls implemented by Council	Failure to secure independent internal and record audit results	Review Financial Regulations Annually	Independent of the Parish Council Full access to all bank statements, cheque books, deposit books, minutes, budgets and working documents and will select transactions and follow them through to find a minuted approval of the expenditure, supporting receipts, cheques stubs, evidence of VAT reclaim, proof on bank statement and allocation under appropriate heading
External Audit	Completion of the Audit commission process.	Failure to comply with statutory requirements for completion and publication of Audit.	Review Financial Regulations Annually	External Auditor

				<p>External Auditors form signed by Chairman and RFO</p> <p>Annual Governance Statement read out, signed by Chairman and RFO</p>
Personnel	Loss of key personnel	Inability to operate and deliver services	<p>Maintain regular contact and approve training and support mechanisms as appropriate.</p> <p>Review contract terms if appropriate and back up computer on regular basis.</p>	<p>Ensure Clerk has adequate training, support and hours to undertake role so as to avoid stress, leading to long term departure</p> <p>Ensure regular back up of computer based work is maintained and sufficient notice periods are provided within contract to allow replacement to be obtained if necessary</p> <p>Ensure all other staff has adequate training</p>

Reviewed April 2014