



EAST STOKE PARISH COUNCIL: RISK MANAGEMENT

Risk assessment and management (financial) of Parish Council activities for 2022.

Area	Risk	Level	Controls
Assets	Protection of fixed assets.	M	Council's physical assets are covered by insurance. Update and review asset register and insurance annually. Asset value is increased in-line with price index by insurance company.
Precept	Not submitted	L	Full Minute – Clerk follow up
	Not paid by District Council	L	Confirm receipt
	Adequacy of precept	H	Monthly review of budget to actual
Finance	Loss of cash through theft or dishonesty	L	Cash handling is avoided, but where appropriate controls are in place. Fidelity guarantee insurance.
	Other Income	M	Check burial receipts. Receipts banked promptly.
	Grants	M	Check receipt of grant when due. The receipt of the grant is minuted at the next council meeting. Council must have the power to pay grants.
	Financial records	L	Clerk check regularly and internal audit review. Quarterly Budget reports to Council.
	Financial controls	M	Quarterly reconciliation prepared by Clerk. Reconciliation checked by members quarterly. Quarterly budget reports to Parish Councillors. Two of the three nominated Councillors to authorise the monthly online banking payments or two signatories on cheque payments. Internal and external audit. Financial regulations adopted, adhered to and reviewed.
	Comply with Customs and Excise Regulations	M	VAT claims calculated by Clerk and to be submitted regularly – at least annually. Note 3 year limit for claims.

	VAT analysis	M	All items in cash book list. VAT identified and amount checked on invoice.
Finance Continued..	Sound budgeting to underlie annual precept	M	Parish Council receive detailed budget in January. Precept derived directly from this. Expenditure against budget reported to Parish Council quarterly.
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on quarterly basis. Members to check reconciliation quarterly.
	Cheque payable is excessive or to wrong party	M	Councillors check - Signatories initials Stub and Voucher/Invoice.
Reserves - General	Adequacy	L	Consider at Budget setting.
Reserves -Earmarked	Adequacy	L	Consider at Budget and review of final accounts.RFO opinion.
	Unidentified Earmarked or Contingent liability	L	Review minutes.
Audit	Accounts not independently checked.	M	Competent and Independent internal auditor appointed and this is reviewed annually.
Election Costs	Invoice is at the agreed rate	L	Clerk to check and to consider at budget setting the likely costs of an election or a referendum.
Salaries	Wrong salary paid	M	Check salary to minute.
	Comply with Inland Revenue requirements.	M	Council operates PAYE and uses HMRC toolkit. NI and Tax calculations not applicable.
Liability	Risk to third party, property or individuals	M	Insurance in place – reviewed annually.

Councillors propriety	Registers of Interests and gifts and hospitality	M	Register of interest completed within 28 days. Gifts received over £25 notified to PDC.
Legal Liability	Illegal activity or payment	H	Educate Council as to their legal powers. Clerk to clarify legal position on any new proposal with DAPTC. Legal advice to be sought where necessary.
	Proper and timely reporting via the minutes	M	Council meets monthly and the previous meetings minutes are approved at the next council meeting.
	Proper document control	M	Leases and legal documents are kept in a locked filing cabinet.
Minutes	Accurate and legal	L	Review at following meeting.
Members interests	Conflict of interest	M	Declarations of interest to be documented/ minuted and any conflict addressed as appropriate. Dispensations granted by Clerk only if the transaction of business would be impeded as a quorum cannot be achieved.
Data	Loss of data	M	Data backed up regularly. Copy kept out of office.
Clerk	Loss of Clerk	H	Councillor cannot act as paid Clerk, Appoint new Clerk as soon as possible. Previous council experience or CiLCA qualified desirable.
	Fraud by staff	L	Fidelity Guarantee value appropriately set. Value is set at total value of balances at 31 st March plus half the value of the precept. Insurance also covers members.
Meeting Room	Loss of Meeting Room	M	Consider at budget setting and allocate for additional costs

Signed:..... Dated:.....
RFO to East Stoke Parish council

Signed:..... Dated:.....

Chairman, East Stoke Parish Council