



Steeton with Eastburn Parish Council

Financial Risk Assessment

Topic	Risk Identified	H/M/L	Management of Risk	Staff Action	
THEFT/MISAPPROPRIATION	Banking	L	Clerk/RFO is not a signatory Two Councillors authorise online payments or sign cheques Chair has access to online banking in addition to Clerk/RFO Council has Financial Regulations which set out requirements	Clerk/RFO	Monthly
PRECEPT	Not submitted	L	Minutes	Clerk/RFO/Member verify	Annually
	Adequacy of precept	H	Monthly budget review	Clerk/RFO/Full Council/F&GP	Monthly
GRANTS/CIL/S106 INCOME	Claims procedure	M	Clerk to ascertain available grants	Clerk/RFO to inform Council	As and when
	Receipt of grant	M	Full Council Minutes	Clerk/RFO to inform Council	As and when
GRANTS PAID OUT	Power to pay	M	Verify powers	Clerk/RFO/Member verify	Annually
	Agreement of council	M	Minutes	Clerk/RFO/Member verify	Annually
	Conditions met	L	Use reasonable conditions	Clerk/RFO to check	Annually
	Follow up verification	L	Report/receipts to council from groups	Clerk/RFO to verify	Annually
INVESTMENT INCOME	Adequate return	L	Review annually	Clerk/RFO to inform Council	Annually
SALARIES	Wrong salary paid	M	Check to contract	Staffing Committee Chair verify	Monthly

	Wrong pay rate	M	Check to contract	Staffing Committee Chair verify	Monthly
	Wrong deductions	M	Check to PAYE calculations	Payroll completed by outside specialist	Monthly
	Pension obligations	L	Payroll specialist undertakes	Payroll specialist	Monthly
INVOICES NOT PROCESSED CORRECTLY OR PAYMENTS MADE INCORRECTLY	Goods not supplied	M	Order system/Minutes	Clerk to chase/report to Council	Monthly
	Invoice incorrect	L	Clerk/RFO to check	Clerk/RFO to check	Monthly
	Payment incorrect	M	Clerk/RFO to check	Clerk/RFO to check	Monthly
	Payment to wrong party	M	Clerk/RFO to check	Clerk/RFO to check	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	Clerk/RFO verify	When needed
RESERVES GENERAL	Adequacy	L	Consider at budget setting	Clerk/RFO/Council review	Annually
RESERVES EARMARKED	Adequacy	L	Consider at budget setting	Clerk/RFO/Council review	Annually
ASSETS	Loss or damage	M	Annual inspection, update insurance and asset registers	Member verify/Clerk/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	NALC/SLCC	When required
	Loss of key personnel	M	Hours, health, stress/supervision	Member/Clerk/RFO review	Ongoing
	Fraud	L	Fidelity guarantee	Council	Annually
LOSS	Consequential loss due to critical damage.	L	Adequate insurance cover	Clerk/RFO	Annually/when needed
CASH	Loss through theft or dishonesty	L	Adequate insurance cover/ cash handling procedures	No cash/petty cash held	Ongoing
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	Clerk/RFO/Council – internal control	Monthly
			Ongoing checks by internal control councillor		
			Accounts presented to each full council meeting		
			Internal/external audits	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	Clerk/RFO review	When needed
RECORD KEEPING	Security	M	Clerk keeps all records securely at home or HUB	Clerk/RFO	Ongoing
	Electronic records	M	Clerk keeps PC security up to date, regularly backs up data	Clerk/RFO	Ongoing
WEBSITE	Disruption	L	Developed & hosted by professional company recommended by NALC/YLCA	Clerk/RFO	Ongoing
	Lack of required information	L	Clerk regularly updates website and loads documentation in a timely manner	Clerk/RFO	Ongoing