

**HERRINGSWELL Parish Council**  
**Risk assessment and management (financial) for the period 2022-23**

<b>Topic</b>	<b>Risk Identified</b>	<b>H/M/L</b>	<b>Management of Risk</b>	<b>Staff action</b>	<b>IA* Freq</b>
Precept	Not submitted	M	Full Parish Council Minute – RFO follow up	<b>Clerk Diary</b>	<b>12</b>
	Not paid by District Council	L	Check & Report to Parish Council	<b>Clerk</b>	<b>12</b>
	Adequacy of precept	L	Regular review of budget to actual (quarterly)	<b>RFO to review</b>	<b>3</b>
Grants – District	Not received when due	L	Clerk to check at least monthly	<b>Diary</b>	<b>12</b>
Salaries	Wrong salary paid	L	Check minute	<b>SALC Payroll Services</b>	<b>3</b>
	Wrong hours paid	L	Check contract / timesheets	<b>Member verify</b>	<b>12</b>
	Wrong pay rate	L	Check contract / NJC Pay Scales	<b>Member verify</b>	<b>12</b>
Direct Costs and overhead expenses	Goods not supplied to Parish Council	M	Order system in place	<b>Approval by Council/follow up clerk</b>	<b>3</b>
	Cheque payable is excessive	L	Signatory initials cheque stub and voucher	<b>RFO to verify</b>	<b>12</b>
	Cheque payable to wrong party	L	Signatory initials cheque stub and voucher	<b>RFO to verify</b>	<b>12</b>
Grants & support	Power to pay	L	Minute power (Clerk to verify)	<b>RFO to verify</b>	<b>12</b>
	Agreement of Council to pay	L	Minute	<b>RFO to verify</b>	<b>12</b>
	Conditions agreed	L	Application Process/Clerk verify	<b>RFO check</b>	<b>12</b>
	Cheque & voucher/receipt	L	Signatory initials on stub & voucher	<b>RFO verify</b>	<b>12</b>
	Follow up verification	L	RFO check & consider budget	<b>RFO verify</b>	<b>12</b>
Election Costs	Adequacy of budgetary provision	L	RFO to check & consider budget annually	<b>RFO opinion</b> <b>Member verify</b>	<b>12</b>
VAT irrecoverable	VAT analysis	L	All items in cash book	<b>RFO Verify</b>	<b>12</b>
	Charged on purchases	L	Consider all items in cash book	<b>RFO Verify</b>	<b>12</b>
	Claimed within time limits	M	Claim at least annually	<b>RFO Verify</b>	<b>12</b>
Reserves – General	Adequacy	L	Consider at Budget setting 3 year plan	<b>RFO opinion</b> <b>Member verify</b>	<b>12</b> <b>24</b>
Reserves – Earmarked	Adequacy Earmarked or contingent liability	L L	Consider at Budget and Precept setting Review minutes	<b>RFO opinion</b> <b>RFO/member opinion</b>	<b>12</b>
Assets	Loss/Damage etc	M	Annual inspection, – Clerk	<b>Diary</b>	<b>3</b>

	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance / Annual inspection	<b>Diary</b>	<b>12 3</b>
Staff	Loss of key personnel (clerk)	M	Hours, stress, health, training management Long term illness, early departure	<b>Annual Appraisal</b>	<b>12</b>
	Fraud by staff	L	Adequacy of Fidelity Guarantee Insurance Check that insurance conditions met Member verification of accounts/payments Payroll Service	<b>Council</b>	<b>12</b>
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover – review to ensure adequacy	<b>Diary</b>	<b>12</b>
	Loss of data	L	Back-up at least monthly GDPR & Document storage/retention policy up to date	<b>Diary</b>	<b>1 12</b>
Cash	Loss through theft or dishonesty	L	Cash handling is avoided. Adequacy of Fidelity Guarantee Insurance Check that Insurance conditions met	<b>Diary</b>	<b>12</b>
Maintenance	Poor performance of assets or amenities/ loss of performance	L	Annual maintenance inspection/ Consider at budget setting	<b>Diary</b>	<b>3 12</b>
Legal Powers	Illegal activity or payment	L	Educate Council as to their legal powers Clerk to verify	<b>Diary RFO to verify</b>	<b>12</b>
Financial Records	Inadequate records	L	RFO/clerk check quarterly Regular annual internal audit Member verify at meetings	<b>Diary</b>	<b>3 12</b>
Minutes	Accurate and legal	L	Review/adopt at following meeting	<b>Member verify</b>	
Members interests	Conflict of interest	L	Update declarations of interest at least annually Declared at each meeting	<b>Diary Clerk verify</b>	<b>12</b>

\*Internal Audit

Date Reviewed: 16/05/2022

Adopted: 16/05/2022

Minute Ref Number: 22/05/12.01

Signed: 16/05/2022