

**Shevington Parish Council**  
**Financial Risk Assessment and Management**  
**1 April 2018 to 31 March 2019**

**INCOME**

<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>
<b>Precept</b>	Not submitted	L	Full PC Minute RFO to follow up	Diary	12
	Not paid by WMBC	L	Check & report to Council	Diary	12
	Adequacy of precept	M	Quarterly review of budget to actual	Diary	12
<b>Bowling Green Charges</b>	Non-payment	L	Issue membership card, maintain register	Reconcile to take	12
	Cash transport	L	Check to bank	Reconcile to take	12
	Cash banking	L	Check to bank	Reconcile to take	12
<b>Allotment Rents</b>	Non-payment	L	Issue contract, maintain register	Reconcile to take	12
	Cash transport	L	Check to bank	Reconcile to take	12
	Cash banking	L	Check to bank	Reconcile to take	12
<b>Lease Rents</b>	<b>Non-payment</b>	<b>L</b>	<b>Issue invoice, maintain register</b>	<b>Reconcile to take</b>	<b>12</b>
	<b>Cash transport</b>	<b>L</b>	<b>Check to bank</b>	<b>Reconcile to take</b>	<b>12</b>
	<b>Cash banking</b>	<b>L</b>	<b>Check to bank</b>	<b>Reconcile to take</b>	<b>12</b>
	<b>DC banking</b>	<b>L</b>	<b>Check bank statement</b>	<b>Reconcile to take</b>	<b>12</b>
<b>Interest on Balances in Reserve A/C</b>	Not recorded	L	Monthly check of bank statement	Contact bank	12
	Addition error	L	Monthly check of bank statement	Contact bank	12
	Calculation error	L	Monthly check of bank statement	Monitor interest rate	12

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**EXPENDITURE**

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<b>Salaries</b>	Wrong salary paid	M	Check to minute	Member verify	12
	Wrong hours paid	M	Check to contract	Member verify	12
	Wrong rate of pay	M	Check to contract & minute	Member verify	12
	False employee	L	Check to PAYE records & lists	Member verify	12
	Wrong deductions	M	Check to PAYE calculations	Member verify	12
<b>Clerk's Expenses</b>	Excessive mileage claim	M	Submission of claim form	Reconcile to activity	12
	Excessive postage	L	Present receipts	Reconcile to mail	12
	Excessive phone bill	M	Itemised phone bill	Identify numbers	12
<b>Direct Costs &amp; Overhead Expenses</b>	Goods not supplied to PC	L	Order system	Approval check	12
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12
	Cheque payable is excessive	L	Signatory initials etc. stub & voucher	Member verify	6
	Cheque payable to wrong party	L	Signatory initials etc. stub & voucher	Member verify	6
	Stock loss	M	Maintain current assets register	Reconcile to stock	6
<b>Chair's Allowance</b>	Chair overpaid	L	Minute	RFO verify	6
<b>Grants &amp; Support</b>	Power to pay	M	Minute power	Member verify	12
	Agreement of Council to pay	L	Minute	Member verify	12
	Conditions agreed	L	Use reasonable condition	RFO check	12
	Cheque & voucher	M	Signatory initials etc stub & voucher	Member verify	12
	Follow up verification	M	RFO check and consider budget	RFO verify	12

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**EXPENDITURE (cont.)**

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<b>Election Costs</b>	Invoice at agreed rate	L	RFO check and consider budget	RFO verify	Whenever
<b>VAT Irrecoverable</b>	VAT analysis	M	All items in cash book lists	RFO verify	12
	Charged on purchases	L	Consider all items per cash book lists	RFO verify	12
	Claimed within time limits	M	Agree returns submitted	RFO verify	12

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**GENERAL**

<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>
<b>Reserves (General)</b>	Adequacy	L	Consider at Budget setting	RFO opinion	12
				3yr plan	24
<b>Reserves (Earmarked)</b>	Adequacy	L	Consider at Budget and Final A/Cs	RFO opinion	12
	Earmarked or contingent liability	L	Review Minutes with Chair of Finance Committee	RFO/member view	12
<b>Assets</b>	Loss, damage, etc.	M	Annual inspection, update insurance and asset registers	Diary	12
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary	12
<b>Staff</b>	Loss of key personnel	L	Hours, health, stress, training management, long term sickness, early departure	Personnel Committee	24
	Fraud by Staff	L	Fidelity Guarantee insurance value Insurance conditions met?	Council	12
<b>Loss</b>	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	Diary	12
<b>Cash</b>	Loss through theft or dishonesty	L	Insurance cover review; ensure adequacy of Fidelity Guarantee insurance	Diary	12
<b>Maintenance</b>	Poor performance of assets or amenities; loss of income or performance	M	Annual maintenance inspection; set aside contingency	Diary	12

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**GENERAL (cont.)**

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<b>Maintenance Contracts</b>	Inadequate controls	M	Regular review of contracts; weekly work schedule agreements (if applicable), inspections and time-sheet submissions (if applicable) - cross referenced with monthly invoices and challenged if necessary	Clerk/RFO	12
<b>Legal Powers</b>	Illegal activity or payment	L	Advise Council as to their legal powers	Diary	24
<b>Financial Records</b>	Inadequate records	L	RFO/Clerk check quarterly + regular internal audit	Diary	12
	Accidental deletion of electronic files	M	Hard copy + regular electronic back-up	Diary	12
	Corruption of electronic files	M	Hard copy + regular electronic back-up	Diary	12
	Fraudulent alteration of records	L	Substantive evidence + regular internal audit	Diary	12
<b>Minutes</b>	Accurate and legal	L	Review at following meeting	Diary	12
<b>Members' Interests</b>	Conflict of interest	M	Update declarations of interest	Diary	12