

## BURSTALL PARISH COUNCIL

### RISK ASSESSMENT AND MANAGEMENT (FINANCIAL) FOR THE PERIOD 1 APRIL 2023 TO 31 MARCH 2024

TOPIC	RISK IDENTIFIED	RISK LEVEL H/M/L (H – HIGH M – MEDIUM L – LOW)	MANAGEMENT OF RISK	ACTION
Precept	Not Submitted	L	Council minutes.  RFO to submit the demand to the Babergh District Council (BDC).	RFO to follow up if acknowledgment of receipt not received from BDC
	Not paid by the District Council	L	Confirm receipt of payment from the district council.	Diarise
	Adequacy of precept	M	Budget and precept setting process, for the following financial year, considered as from September, allowing time for any revisions before Council consideration and final adoption.  Monthly review of budget to actual spend / receipt.	Diarise – Finance Working Group meeting(s) and Parish Council meeting (s), being mindful of the deadline of 31 January  Monthly Financial Report distributed to Council
Other Income	Cash handling	L	The Council does not hold petty cash.  Any cash received is banked immediately.	Annual review of documented controls
	Banking	L	Most income is received as a direct transfer into the Council’s bank account. Cheques and cash are banked promptly.  Undertake regular reconciliations.	Member to verify bank reconciliations and action to be minuted at Council meeting
	Reporting of Income	L	All income is recorded in the cashbook when received and reported as part of the Monthly Financial Report distributed to the Council.	Member to verify bank reconciliations and action to be minuted at Council meeting

External Grants	Claims Procedure	M	Clerk/RFO check as required.	Diarise
	Receipt of grant when due	M	Clerk / RFO check as required.	Diarise
Investment Income	Receipt when due	L	Clerk / RFO check as required.	Diarise due date(s)
	Surplus Funds	L	Review levels and investment policy annually. Council to only invest in financial institutions that can demonstrate security. Council approval is required prior to investment.	Diarise policy review date
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract.	Member to verify
	Wrong deductions – PAYE	M	Check to PAYE calculations. HMRC Basics software used.	Member to verify
Staff	Loss of key personnel (clerk)	L	Hours, health, stress, training, long-term illness, early departure – risk monitored and managed as appropriate.	Diarise annual staff appraisals
	Fraud by staff	L	Fidelity Guarantee value appropriately set.	Council to review value at least annually
Direct Costs and Overhead Expenses	Goods supplied/not supplied to Council	L	Follow up on all orders. Maintain an audit trail.	Approval check
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and check against orders raised.	Approval check
	Payable amount is incorrect or made to the wrong payee	M	2-member bank authorities (signatories) to check 'set up' payments against invoices.	Member to verify

			Invoices to be initialled by 2 bank signatories against the payment schedule and bank authorisation schedule.	Member to verify
Grants & Support	No power to pay or no evidence of agreement of council to pay	M	Adopt a Grant Awarding Policy. Minute Council agreement with the power used to authorise payment.	Member to verify
	Conditions agreed	L	Agree and document any reasonable conditions.	RFO check
Election Costs	Invoice at agreed rate	L	RFO check and consider budget.	RFO verify
VAT	VAT analysis	M	Check invoices against cash book entries.	RFO verify
	Claimed within time limits	M	Submit returns at least annually.	Diarise
Reserves - General	Adequacy	L	Consider at budget setting.	RFO opinion. 3-year plan
Reserves - Earmarked	Adequacy	L	Consider at budget and review of final accounts.	RFO opinion
	Unidentified, Earmarked or Contingent Liability	L	Ringfenced reserves identified and recorded in the Monthly Financial Report. Movement between reserves (ringfenced and general) into / from the revenue budget made by resolution of the full Council.	RFO / member view RFO / member view
Assets	Loss, damage etc.	M	Annual inspection, update insurance and asset register.	Diarise
	Risk or damage to third party property or individuals	M	Review adequacy of public liability insurance.	Diarise
Loss	Consequential loss due to critical	L	Review adequacy of insurance cover.	Diarise

	damage or third-party performance			
Maintenance of Assets	Reduced value of assets or amenities	M	Annual maintenance inspection.	Diarise
Legal Powers	Illegal activity or payment	H	The Council has appointed a qualified Clerk to manage the Council's affairs. Educate councillors as to their legal powers by them undertaking councillor training.	Diarise
Financial Records	Inadequate records	L	RFO / Clerk check regularly. Annual internal audit review.	Diarise
	Loss of records	L	Digital back-ups are regularly undertaken. Paper records are stored securely at an alarmed premises.	Diarise
	Access to bank records	L	Controls in place for access to the Council's bank accounts and records.	Approval check
	Internet Banking	L	Internet banking mandate in place requiring 2 signatories to authorise payments set up by the RFO. Internet banking controls form part of the Council's Financial Regulations.	Approval check Diarise review
Minutes	Accurate and legal	L	Review and signed at following meeting.	Diarise
Members Interests	Conflict of interest	M	Declarations of interest to be documented / minuted and any conflict address as appropriate.	Diarise
	Code of Conduct	M	Council has adopted the Burstall Code of Conduct 2020, 9 May 2022	No action

Governance	Standing Orders	L	Council has adopted Standing Orders which are reviewed on an annual basis.	Diarise
	Financial Regulations	L	Council has adopted Financial Regulations which are reviewed on an annual basis.	Diarise
	Data Protection	L	Council is registered with the ICO as a Data Controller under the Data Protection Legislation. Renewal is on a direct debit mandate.  Council has undertaken a Data Audit.	Diarise
	General Data Protection Regulations	L	Council has adopted General Data Protection policies, including procedures for dealing with Subject Access Requests and Data Breaches.  All polices, regulations and Privacy Notices are published on the Parish Council website.	Diarise  Clerk check
	Data Protection Impact Assessments (DPIAs)	M	Mandatory where the processing of data presents a high risk to the rights and freedoms of individuals.  Council will undertake a DPIA when processing is likely to result in a high risk to data subjects and will ensure data is kept only in accordance with the Council's Records and Data Retention Policy.	Clerk check

Reviewed and adopted on: 13<sup>th</sup> March 2024, minute number 23/24 36(i)

Note: The Risk Assessment must be reviewed and adopted by Burstall Parish Council annually during the financial year and before 31 March.