

**Heapey Parish Council**

**Risk Assessment and Management**

(in accordance with Governance and Accountability for Smaller Authorities in England)

<b>Topic</b>	<b>Risk Identified</b>	<b>Risk</b>	<b>Effect</b>	<b>Management of Risk</b>	<b>Action by</b>	<b>I A Freq</b>
<b>Income</b>		<b>H/M/L</b>	<b>H/M/L</b>			
Precept	Not submitted	L	H	Council minute - RFO to follow up	Diary	12
	Not paid by BC	L	H	Check and report to Council	Diary	12
	Adequacy of precept	L	H	Monthly review of budget to actual	Diary	12
Investment Income	Receipt when due	L	L	Review when necessary	Diary	As required
	Investment policy	L	L	Review when necessary	Diary	As required
	Surplus funds	L	L	Review when necessary	Diary	As required
<b>Expenditure</b>						
Salaries	Wrong salary paid	L	L	Check to minute	Councillor verify	12
	Wrong hours paid	L	L	Check to timesheet/contract	Councillor verify	12
	Wrong pay rate	L	L	Check to contract	Councillor verify	12
	False employee	L	L	Check to PAYE records and lists	Councillor verify	12
	Wrong deductions - PAYE and NI	L	L	Check to PAYE calculators	Councillor verify	12
Direct Costs and Overhead Expenses	Goods not supplied	L	H	Order system	RFO verify	12
	Invoice incorrectly calculated	L	L	Check arithmetic	Approval check	6
	Cheque payable is excessive	L	H	Signatory initials etc Stub and Voucher	Councillor verify	6
	Cheque payable to wrong party	L	H	Signatory initials etc Stub and Voucher	Councillor verify	6
Grants and Support	Power to pay	L	H	RFO check	RFO verify	12
	Agreement of Council to pay	L	H	Minute	Councillor verify	12
	Conditions agreed	L	M	Use reasonable conditions	RFO verify	12
	Cheque and voucher	M	M	Signatories initial stub and voucher	Councillor verify	12
	Follow up verification	M	L	RFO check and consider budget	RFO verify	12
Election Costs	Invoice at agreed rate	L	L	RFO check and consider budget	RFO verify	As required
VAT Irrecoverable	VAT analysis	L	L	All items in cash book lists	RFO verify	12
	Charged on purchases	L	L	Consider all items as per cash book lists	RFO verify	12
	Partial exemption applies?	M	M	RFO check	RFO verify	12
	Claimed within time limits	M	H	Agree returns submitted	RFO verify	12

Topic	Risk Identified	Risk H/M/L	Effect H/M/L	Management of Risk	Staff Action	I A Freq
Reserves - general	Adequacy	L	H	Consider at budget setting	RFO/Councillor opinion	12
Reserves - earmarked	Adequacy	L	H	Consider at budget setting and final accounts	RFO/Councillor opinion	12
	Earmarked, or contingent liability	L	H	Review by Council	RFO/Councillor opinion	12
Assets	Loss, damage etc	M	H	Annual inspection, update insurance and asset register	Diary	12
	Risk or damage to 3 <sup>rd</sup> party property or individuals	M	H	Review adequacy of Public Liability Insurance cover	Diary	12
Staff	Loss of key personnel (Clerk)	M	H	Review hours, conditions, health, stress, training, management,	Council	24
	Fraud by Staff	L	H	Fidelity guarantee insurance cover value Insurance company conditions	Council	12
Loss	Consequential loss due to critical damage or 3 <sup>rd</sup> party performance	L	H	Review adequacy of insurance cover	Diary	12
Cash	Loss through theft or dishonesty	L	H	Insurance cover review - ensure adequacy of Fidelity Guarantee Cover	Diary	12
Maintenance	Poor performance of assets, loss of income or performance	L	M	Annual maintenance inspection Review adequacy of insurance cover	Diary	12
Borrowing	Adequacy of finances to be able to repay loans	L	H	Consider at budget setting. Financial review and cashflow forecasting monthly	Diary	12
Legal Powers	Illegal activity or payment	L	H	Educate Councillors as to legal powers	Ongoing	24
Best Value	Overspend on services	L	H	Ensure correct tendering for services	Ongoing	12
Financial Records	Inadequate records	L	H	RFO check + regular internal audit	Diary	12
Minutes	Accurate and legal	L	H	Approve at following meeting	Diary	12
Members Interests	Conflict of interests	M	M	Update Declarations of Interests	Diary	12