

BEWCASTLE PARISH COUNCIL

Risk assessment and management (financial) for the period 1 April 2018 to 31 March 2019

The risk management procedures, as documented below, were confirmed to be in practice by the internal auditor on 7th May 2018

Topic	Risk identified	Risk level H/M/L	Management of risk	Staff action
Precept	Not submitted	L	Full minute – RFO to follow up	RFO
	Not paid by DC	L	Confirm receipt	RFO
	Adequacy of precept	H	Review of budget to actual	Agenda standing item
Other income	Cash handling	L	No cash is kept	N/A
	Cash banking	L	Check bank statements. Regular bank reconciliations.	Verified at each Council meeting
	From Cemetery	M	Burial Register updated for grave allocations. Check of register with undertaker's fees.	RFO
Grants	Claims procedure	M	Clerk/RFO check as required	RFO
	Receipt of grant when due	M	Clerk/RFO check as required	RFO
Salaries	Wrong salary paid	M	Paid at Council meeting	N/A
	Wrong deductions-NI and Income tax	M	N/A	N/A

Topic	Risk identified	Risk level H/M/L	Management of risk	Staff action
Direct costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	RFO
	Invoice wrongly calculated/recorded	L	Check arithmetic on invoices & perform bank reconciliations monthly	Verified at each Council meeting
	Cheque payable is excessive or to wrong payee	M	Signatory initials Stub	At Council meeting
VAT	VAT analysis	M	All items in cash book lists	RFO verify
	Charged on sales	M	N/A	N/A
	Charged on purchases	L	Consider all items per cash book lists	RFO verify
	Claimed within time limits	M	Agree returns submitted	RFO verify
Reserves	Adequacy	L	Consider at Budget setting	RFO opinion.
Assets	Loss or damage etc	M	Annual inspection update insurance and asset register	Diary held by Chairman RFO
	Risk or damage to third party property or individuals	M	Review adequacy of insurance cover	RFO

Topic	Risk identified	Risk level H/M/L	Management of risk	Staff action
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training. Monitor & manage as appropriate	RFO/member view
	Fraud by staff	L	Fidelity Guarantee value appropriately set	Review annually - RFO
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of insurance cover	RFO
Maintenance	Reduced value of assets	M	Annual maintenance inspection	Chairman/Clerk
Legal powers	Illegal activity or payment	H	Educate Council as to their legal powers	As necessary - RFO
Financial records	Inadequate records	L	Clerk check regularly + internal audit review	RFO/Internal Auditor
Minutes	Accurate and legal	L	Review at following meeting	Clerk
Members' interests	Conflict of interest	M	Declarations of interest to be documented/minuted and any conflict addressed as appropriate	Clerk

Reviewed and adopted on: 19th February 2018

Note: Risk assessment must be reviewed and adopted by Council annually during the financial year and before 31st March.