

# HENSTRIDGE PARISH COUNCIL

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## RISK ASSESSMENT AND MANAGEMENT (FINANCIAL)

Topic	Risk Identified	Risk Level	System for management of risk	Action	IA freq
<b>RECEIPTS</b>					
Precept	Not submitted	L	Planner to be maintained of key dates in the precept process	RFO to ensure planner kept up to date and followed. Councillors to query as necessary	24
	Not paid by District Council	L	Planner – date of expected payment noted.	RFO to check and report to PC and SSDC	24
Charges - Cemetery	Inappropriate Grave Allocation	M	Burial Register Updates	Clerk to ensure accurate entries are made which tally across the books. Councillors to have access as required for checks.	12
	Failure to send invoices to undertakers	M	Burial Register Updates and correlation with cash book	Clerk and RFO to ensure immediate provision of invoices and make regular checks that the Burial books tally and reconcile with the cashbook. Councillors to have access as required for checks.	12
	Failure to collect/receive Memorial fees	M	Match invoice to approval and reconcile with cashbook.	Clerk and RFO to ensure immediate provision of invoices and make regular checks that the Burial books tally and reconcile with the cashbook. Councillors to have access as required for checks.	12
Charges – Allotments	Failure to collect/receive rent		Match invoices to register and receipts to invoices. Planner to be maintained of dates of request.	Clerk/RFO to ensure receipts can be reconciled to cashbook. Clerk/RFO to check and chase nonpayment thirty days after requests sent out.	12
Grants – District	Failure to complete Claims procedure	M	Planner to be maintained of key dates in the grants process	<b>Clerk/RFO to check and complete.</b>	12
	Failure to receive grant when due	L	Planner – date of expected payment noted.	Clerk/RFO to check and report to PC and SSDC	12

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<b>PAYMENTS</b>					
Salaries	Wrong Salary paid	M	Match minutes and timesheets	RFO to check for errors and sign timesheet and countersign cheque. Councillor to verify.	12
	Wrong hours paid	M	Check to timesheet	RFO/member to verify	12
	Wrong pay rate	M	Check to contract	RFO/member to verify	12
	False Employee	L	Check to PAYE records and lists	Member to verify	12
	Wrong deductions (Tax/NI)	M	Check timesheets to PAYE Calculations	RFO to maintain P11 sheets	12
Direct costs and expenses	Invoice incorrectly calculated	L	Check arithmetic calculations	RFO to ensure invoice is arithmetically correct. Councillors to approve.	12
	Cheque payable for incorrect amount	M	Cheque to be approved and signed by councillors and tallied with invoices.	Councillors to check stub and cheque match and cross reference to invoice, sign all parts, and check approval in minutes. RFO to countersign cheque.	6
	Cheque payable to wrong party	M	Cheque to be approved and signed by councillors.	RFO to countersign cheque and sign invoice to tally. Councillors to check stub and cheque match, sign both, and check approval in minutes.	6
	Fraudulent conversion of cheques	M	Photocopy all cheques prior to posting	RFO to photocopy all cheques prior to posting and retain to reconcile with the bank statement monthly.	1
	Power to pay	M	Authority for regular payments kept as list with the cashbook. Authority for new/ unusual payments to be minuted.	RFO to ensure list of authorities up to date and info provided for new payments. Councillors to query authority for new/unusual payments.	12
	Invoice to Parish Council where no order for works has been placed.	M	All invoices for work to be matched against orders placed – orders only to be placed by Clerk/RFO	Report to Council and return invoice to sender. In the event of a non-councillor being involved in the development of a Council project, advise in writing of their role, that orders can only be issued to suppliers and contractors via the Clerk, and that the Council will not be held responsible if the individual incurs costs due to acting without the express instruction of the Council.	6

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Councillors expenses	Councillor overpaid	M	Claim form and minute	RFO to verify that claim is appropriate and approval given.	12
	Income tax deduction	M	Check to PAYE Records and Lists	RFO to verify that appropriate deductions are made	12
Grants and Support	Power to pay	M	Authority for regular payments kept as list with the cashbook. Authority for new/unusual payments to be minuted.	RFO to ensure list of authorities up to date and info provided for new payments. Councillors to query authority for new/unusual payments	12
	Agreement of Council to pay	L	Minutes	Councillors signing checks to ensure that agreement was minuted	12
	Conditions agreed	L	Use reasonable condition	Clerk/RFO to verify that conditions are met	12
	Cheque and Voucher	M	Cheque to be approved and signed by councillors.	RFO to countersign cheque and sign invoice to tally. Councillors to check stub and cheque match, sign both, and check approval in minutes.	6
Election costs	Invoice at agreed rate	L	RFO to check and consider budget	RFO to verify	As appropriate
<b>OTHER</b>					
Transfers	Accounts go overdrawn due to insufficient funds and incur fees.	M	RFO to monitor cashbook and arrange appropriate transfers between accounts for prudent management.	RFO to monitor accounts and make transfers, Council to receive report and confirm transfers reported against bank reconciliations.	1
VAT	VAT not recovered	M	Planner of appropriate times for application for repayment	RFO to maintain records of VAT in Cash book and apply for reimbursement as appropriate	12
Bank account	Bank account and Cash book do not tally	M	Cash book reconciliation on all accounts is approved by the Council	Presentation of documents for approval monthly – approved and minuted in meeting.	1
Reserves – general	Adequacy	L	Consider at Budget setting	RFO/Clerk to provide assessment of needs and advise the council	12
Reserves – earmarked	Adequacy	L	Consider at budget and final accounts	Clerk/RFO to assess and advise	12
	Contingent liability	L	Review minutes	Clerk/RFO and Council to review	12
Assets	Loss, damage etc	M	Annual inventory	Clerk/RFO to issue employees with inventory sheet, covering needs and redundant equipment for consideration by council	12

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Staff	Loss of key personnel	?	?	?	
	Fraud by staff	L	Fidelity guarantee	Value of guarantee to be reviewed by the council annually	12
	Staff claims for accident/injury	L	Employers liability insurance	RFO to ensure that cover is maintained at an appropriate level	12
	Former staff claims for unfair/constructive dismissal	H	Employers liability insurance	RFO to ensure that cover is maintained at an appropriate level	12