

Risk assessment and management (financial)

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Full Minute – Clerk follow up	Diaried for clerk each year for late November
	Not paid by Cumberland Council	L	Confirm receipt	Diary
	Adequacy of precept	H	Quarterly review of budget to actual	Reviewed each year at year end
Other income	Cash handling	L	Cash handling is avoided, but where necessary – appropriate controls are in place	Annual review of documented controls
	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations	3 Monthly bank reconciliation and Progress against budget to be checked at Nov meeting
Grants	Claims procedure	M	Clerk check as required	Clerk to add to her Diary- If required as and when any grants are received
	Receipt of grant when due	M	Clerk check as required	Clerk to add to her Diary- If required as and when any grants are received
Investment Income	Receipt when due	L	Clerk check as required	Diary when applicable- Not currently
	Surplus funds	L	Review levels and investment policy annually +	Diary when applicable- Not currently

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Salaries	Wrong salary/hours/rate paid	M	Salary & PAYE handled externally. Full contract in place detailing employment details	
	Wrong deductions – NI and Income tax	M	PAYE handled by an outside agency who are responsible for these matters	
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on Quarterly basis.	Member to verify
	Cheque payable is excessive or to wrong party	M	Signatory initials Stub & Voucher	Approval check
Grants & support	No power to pay or no evidence of agreement of Council to pay	M	Minute council agreement with the power used to authorize payment	Member 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	All items in cash book lists	RFO verify
	Claimed within time limits	M	Agree returns submitted	RFO verify

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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	Review minutes	RFO/member view
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset registers	Diaryed for the clerk every March prior to end of year
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary for the clerk every March prior to insurance renewal
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate.	RFO/member view
	Fraud by staff	L	Fidelity Guarantee value appropriately set	Council to review annually
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of Insurance cover	Diary for the clerk every March prior to insurance renewal
Maintenance	Reduced value of assets or amenities -loss of income or performance	M	Annual maintenance inspection	Diaryed for the clerk every March prior to end of year
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal	Training to be organised as and when required/when new

			powers	councillors join
Financial Records	Inadequate records	L	RFO/clerk check regularly + internal audit review	Financial records updated every month. To be signed off by council meeting ever 6 months
Minutes	Accurate and legal	L	Review at following meeting	Standard agenda item on every agenda
Members interests	Conflict of interest	M	Declarations of interest to be documented/ minuted and any conflict addressed as appropriate	Standard agenda item on every agenda

Reviewed and adopted May 201

Review: Annually, for the most recent review date please visit www.borrowdale.org.uk