

Walberswick Parish Council Financial Risk Assessment for the period 1 April 2024 to 31 March 202

| Topic | Risk Identified | Risk Level H/M/L | Ways to mitigate risk | Control Mechanism |
|---|--|---------------------|--|--|
| Precept | Not submitted | L | Confirmation by RFO of submission at council meeting | Meeting minutes |
| | Not paid by DC | L | Confirmation by RFO of receipt at council meeting | Meeting minutes |
| | Adequacy of precept | M | Regularly reviewed throughout the year | Meeting agenda |
| Other Income | Cash handling | L | Cash handling is avoided, but where necessary appropriate Controls are in place. | Annual review of controls via Internal Controls template |
| | Cash banking | L | Council's policy is not to accept cash payments | RFO to enforce policy |
| | Allotment money not collected | M | RFO to follow up invoices and collect | Regular review of receipts at Council meetings |
| Grants | Claims procedure | L | RFO/Clerk to apply following authorisation by Council | Agenda item and Meeting minutes |
| | Receipt of grant when due | L | RFO to report receipt as part of finance reports to meeting | Agenda item and Meeting minutes |
| Direct Costs and overhead expenses | Wrong salary/hours/rate paid | L | RFO receives calculation via SALC and places on Authorisation to Pay Sheet (ATP). | Councillors approve all payments via ATP |
| | Wrong deductions – NI and Income tax | L | RFO Checks PAYE Calculations | ATP |
| | Invoice incorrectly calculated or recorded | L | RFO to check arithmetic on invoices and perform bank reconciliations on monthly basis. Check VAT is correctly calculated | Councillors to verify when they authorise invoices |
| | Cheque payable is excessive or to wrong party | L | Council seeks to minimise/eliminate cheque payments. Where required the signatory initials Cheque Stub & Voucher | Cheques only issued once chairman has seen invoices, ATP is approved by Council, and are signed by 2 signatories |
| | Council Paypal account is used inappropriately | M | Only RFO has password for PayPal account. Purchases can only be made with PayPal following Council resolution | Councillors approve all payments via ATP. Regular bank reconciliation |

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|--|--|------------|--|---|
| Direct Costs and overhead expenses (contd.) | Internet banking payment for excessive amount or to wrong party | M | RFO sets up payments after ATP is approved, and personally has zero payment authority | Approving Councillors have to wait for payments to be set up by RFO after ATP approved. 2 Councillors are required for approval. Authorised councillors use approved ATP as reference |
| | Internet payment authorised by councillor that has not been approved on ATP | L | RFO sets up authorisation of payments only after ATP is approved | Approving Councillors have to wait for payments to be set up by RFO after ATP approved. 2 Councillors are required for approval. Authorised councillors use approved ATP as reference |
| | Supplier is paid late because councillor accidentally/deliberately does not authorise internet payment | L | An extra authorised approver is always available if needed. Councillors doing authorisation volunteer to do so and endeavour to complete the process within 72 hours from ATP being authorised | Financial regulations |
| Grants & support | No power to pay or no evidence of agreement of Council to pay | M | Agenda describes project, Councillors resolve to authorise grant application for agreed expenditure, included in Minute. Statutory power referenced in cash book column | Meeting minutes, Agenda and Cash Book |
| | Inappropriate grant conditions agreed | M | Clerk/RFO to confirm that project matches grant conditions and confirm with grant making authority. | RFO and Clerk checks conditions prior to application. |
| VAT | VAT not calculated correctly | L | RFO Check on invoice | Payment and receipts reports |
| | Claimed within time limits | M | RFO to diarise | Payment and receipts reports |

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| Reserves – General | Adequacy | M | Budget for appropriate reserves and Reserves Policy adopted in July 2021 | Budget discussion and monitoring throughout year, including ½ year budget review |
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| Reserves - Earmarked | Adequacy | L | Budget for appropriate reserves and Reserves Policy adopted in July 2021 | Budget discussion and monitoring throughout year, including ½ year budget review |
| | Unidentified Earmarked or Contingent liability | L | Budget for appropriate reserves and Reserves Policy adopted in July 2021. RFO to show earmarked reserves as part of finance reporting. | Budget discussion and monitoring throughout year, including ½ year budget review |
| Assets | Loss, Damage etc | M | Regular inspections and review of insurance cover. Clerk or Councillor with responsibility for property to regularly check condition of assets. | Discussed at each Annual PC Meeting and recorded in Minutes |
| | Consequential loss due to critical damage or third-party performance | M | Regular inspections as above | as above |
| | Risk or damage to third party property or individuals | M | Regular inspections as above | as above |
| | Assets not correctly recorded on Asset Register | M | Annual review of Asset Register | as above |
| Staff | Loss of key personnel (Clerk/RFO) | H | Effective support of staff by Council. Splitting of Clerk & RFO role. Regular reviews in line with Contract. Early response to fill vacancies with advertisement especially through SALC website. Commitment to training/development | Employment Working Party |
| Maintenance | Need to budget for damage, wear and tear | L | Regular inspections and appropriate budget including by Safety Committee | Meeting minutes and effective budget process |
| Legal Powers | Inadequate records | M | Minute council agreement with the power used to authorize payment or use of General Power of Competence where available | Meeting minutes |

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| Financial Records | Accurate & approved | L | RFO/clerk produces regular reports which form the basis of the financial records. Councillor Internal Controls review provides check before all submitted annually to SALC internal auditor | Councillor reports to Council and included in Meeting. Annual review of internal auditor report and approval of accounts as part of AGAR process. |
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| Minutes | Conflict of interest | L | Declarations of interest to be documented/in Minute and any conflict addressed as appropriate. Training given to Councillors to ensure they know their responsibilities and the content of the Suffolk Code of Conduct which they have all signed up to. | Meeting minutes record withdrawal from discussion/meeting room. Declarations of interest included new Councillor inductions |
| Councillor interests | Councillor interests not accurately recorded | M | Councillors are responsible for recording and updating their interests on the District website. Councillors before or at meetings as appropriate to protect the Council | Annual reminder to Councillors at AGM. |
| Data Breach | Personal data comprised | M | GDPR compliance procedures | Councillor with responsibility works closely with Clerk to oversee compliance. |
| Website unavailable | Loss of data, loss of ability to publish council documents | M | Third party compliance checks | Webmaster |

Review Carried out by:

Chair – Councillor A E Lewis

Clerk

Mark Knight



Signature of Clerk

15th April 2024

Presented to Council