

RISK ASSESSMENT & FINANCIAL MANAGEMENT 2026 - 2027

INCOME

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Minute – RFO follow up	Diary – December
	Not paid by District Council	L	Confirm receipt – RFO/Clerk	Diary - April
	Adequacy of precept	H	Quarterly review of budget to actual	Diary - quarterly
Other income	Cash handling Allotment income	L	Cash handling is avoided, but where necessary – appropriate controls are in place.	Clerk/RFO - Annual review of documented controls.
	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations.	Clerk/RFO to prepare. Member to verify reconciliations taking place. Minute.
Grants	Claims procedure	M	Clerk/RFO check as required	Diary - review
	Receipt of grant when due	M	Clerk/RFO check as required	Diary - review
VAT	Not submitted	L	Check HMRC regulations are met. Clerk/RFO prepare/submit	Diary – Member to verify
	Not paid by HMRC	L	Clerk/RFO follow up for receipt of payment.	Diary – Member to verify

EXPENDITURE

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract	Member to verify, monthly
	Wrong deductions – NI and Income tax	M	Check to PAYE Calculations – managed by external provider.	Member to verify, quarterly
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	Approval check – when required
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis.	Member to verify, quarterly
	Cheque payable is excessive or to wrong party	M	Signatory initials Stub & Voucher	Approval check, when required
	Bank payment is excessive or to wrong party	M	Clerk to set up payments then checked and authorised by Member.	Approval check carried out by Member.
Grants	No power to pay or no evidence of agreement of Council to pay	M	Minute council agreement with the power used to authorise payment	Member verify, when required
	Conditions agreed	L	Agree and document any reasonable conditions	Clerk/RFO check, minute
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	Clerk/RFO verify.
Computer crash without back up	No backup	M	Daily back up completed by Clerk/RFO to external drive and cloud storage	Diary - Clerk/RFO
Financial borrowing	Adequacy of finances to repay loan	L	Financial review during quarterly budget comparison and annual budget setting by Clerk/RFO	Diary – Clerk/RFO, Member verify

Topic	Risk Identified	H/M/L	Management of Risk	Staff action
Reserves - General	Adequacy	L	Consider at Budget setting	Clerk/RFO opinion, review 3 year plan. Discuss with council members
Reserves – Earmarked	Adequacy	L	Consider at Budget and review of final accounts	Clerk/RFO – opinion, discuss with council members
	Unidentified Earmarked or Contingent liability	L	Consider at Budget and Review minutes	Clerk/RFO – alert council members
Assets	Loss, Damage etc	M	Regular and Annual inspection, update insurance and asset registers Clerk/RFO. Playground Risk Management Policy review annually.	Clerk/RFO Diary – monthly/annual review
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Clerk/RFO Diary – annually review
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate. Employers Liability Insurance.	Personnel committee/full council, Diary. Annual appraisal
	Fraud by staff	L	Fidelity Guarantee value appropriately set	Council to review annually
Data	Theft/loss or mishandling of personal data	M	ICO Data Protection Fee paid? Certificate of cover held? Regular Review and correct disposal of data	Clerk/RFO to review monthly/quarterly and annually.
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of Insurance cover	Clerk/RFO - Diary
Maintenance	Reduced value of assets or amenities - loss of income or performance	M	Monthly and annual maintenance inspections. Clerk to liase with Parish Keeper and external inspectors.	Clerk Diary – monthly on receipt of safety inspections
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers.	Clerk, Diary monthly check
Financial Records	Inadequate records	L	RFO/clerk check regularly + internal audit review	Clerk, Diary – monthly Quarterly internal audit
Minutes	Accurate and legal	L	Review at following meeting	Clerk, Diary – monthly

Members interests	Conflict of interests	M	Declarations of interest to be documented/minuted and any conflict addressed as appropriate	Clerk to monitor
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Version number: _____ 1 _____ Date last reviewed: _____ April 2025 _____ Reviewed on: 29.04.26 Adopted on: 18.05.26

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

Signed by Chair _____

Date of full council meeting 18.05.26