

# Rooksdown Parish Council - Financial Risk Register

For Approval 23/9/19

v1.6

Approved Oct 2019

Income		Risk			Mitigation	Action	Residual risk			
Topic	Risk Description	Likelihood	Impact	Risk			Internal Audit checks	Likelihood	Impact	Risk
Precept	Not submitted	1	2	2	Call finance WG meeting in Dec	Diary	24 months	1	2	2
	Not paid by DC	1	1	1	Check & Report To PC	Diary	24 months	1	1	1
	Adequacy of precept	1	2	2	Monthly review of budget to actual	Diary	12 months	1	2	2
Grants – Lottery	Claims procedure	1	1	1	Clerk/RFO check quarterly		12 months	1	1	1
	Receipt of grant when due	1	1	1	Check & Report to PC	Diary	12 months	1	1	1
Grants – District	Claims procedure	1	1	1	Clerk/RFO check quarterly		12 months	1	1	1
	Receipt of grant when due	1	1	1	Check & Report to PC	Diary	12 months	1	1	1
Events	Cash collection issues	NA	NA		No cash received			NA	NA	
	Cash transport issues	NA	NA					NA	NA	
	Cash counting issues	NA	NA					NA	NA	
	Cash banking issues	NA	NA					NA	NA	

Expenditure										
Salaries	Wrong salary paid	1	2	2	Check to minute	Member verify	12 months	1	2	2
	Wrong hours paid	1	2	2	Check to timesheet/contract	Member verify	12 months	1	2	2
	Wrong rate pay	1	2	2	Check to contract	Member verify	12 months	1	2	2
	False employee	1	3	3	Check to PAYE Records & lists	Member verify	12 months	1	3	3
	Wrong deductions – NI	1	2	2	Check to PAYE Calcs	Member verify	12 months	1	2	2
	Wrong deductions – PAYE	1	2	2	Check to PAYE Calcs	Member verify	12 months	1	2	2
Direct Costs and overhead expenses	Goods not supplied	2	2	4	Order system	Member verify	12 months	1	2	2
	Invoice incorrectly calculated	1	1	1	Check payment against invoice	Approval check	12 months	1	1	1
	Bank payment is excessive	2	2	4	Check payment against invoice	Member verify	12 months	1	2	2
	Bank payment to wrong party	2	2	4	Check payment against invoice	Member verify	12 months	1	2	2
	Stock loss	NA	NA		No stock held			NA	NA	
Cllrs Allowances	Cllr overpaid	NA	NA		No allowances paid			NA	NA	
	Income tax deduction	NA	NA		No allowances paid			NA	NA	
Grants & support	Power to pay	2	2	4	Minute power	RFO verify	12 months	1	2	2
	Agreement of Council to pay	1	1	1	Minute	Member verify	12 months	1	1	1
	Conditions agreed	1	1	1	Use reasonable conditions	RFO check	12 months	1	1	1
	Follow up verification	1	2	2	RFO check and consider budget	RFO verify	12 months	1	2	2
Election Costs	Invoice at agreed rate	1	1	1	RFO check and consider budget	RFO verify	Whenever	1	1	1
VAT irrecoverable	VAT analysis	1	2	2	Use finance system	RFO verify	12 months	1	2	2
	Charged on sales	NA	NA					NA	NA	

	Charged on purchases	1	2	2	Use finance system	RFO verify	12 months	1	2	2
	Partial exemption applies?	NA	NA					NA	NA	
	Claimed within time limits	1	2	2	Agree returns submitted	RFO verify	12 months	1	2	2
Reserves - General	Adequacy	1	3	3	Consider at Budget setting	RFO opinion 3 year plan	12 months 24 months	1	3	3
Reserves – Earmarked	Adequacy	1	3	3	Consider at Budget and Final a/cs	RFO opinion	12 months	1	3	3
	Earmarked or Contingent liability	1	1	1	Review minutes with Chair Fin Comm	RFO/member view	12 months	1	1	1
Assets	Loss, Damage etc	1	2	2	Annual inspection, update insurance		24 months	1	2	2
	Risk or damage to third party property or individuals	1	3	3	Review adequacy of Public Liability	Diary	12 months	1	3	3
Staff	Loss of key personnel (Clerk)	1	2	2	Hours, health, stress, training mangt.	Personnel Comm.	24 months	1	2	2
		1	2	2	Long term sickness, early departure			1	2	2
	Fraud by staff	1	3	3	Fidelity Guarantee value	Council	12 months	1	3	3
Loss	Consequential loss due to critical damage or third party performance	1	1	1	Insurance cover review adequacy	Diary	12 months	1	1	1
Cash	Loss through theft or dishonesty	1	2	2	Insurance cover review ensure adequacy of Fidelity guarantee	Diary	12 months	1	2	2
Maintenance	Poor performance of assets or amenities loss of income or performance	1	2	2	Annual maintenance inspection	Diary	12 months	1	2	2
Borrowing/lending	Adequacy of finances to be able to repay loans	2	2	4	Financial review and cashflow	Diary	12 months	1	2	2
Legal Powers	Illegal activity or payment	1	3	3	Educate Council as to their legal powers	Diary	24 months	1	3	3
Financial Records	Inadequate records	1	2	2	RFO/clerk check quarterly + regular internal audit	Diary	12 months	1	2	2
Minutes	Accurate and legal	1	2	2	Review at following meeting	Diary	12 months	1	2	2
Members interests	Conflict of interest not detected/declared	2	2	4	Update declarations of interest Check agenda for interests	Diary	12 months	1	2	2

Action levels:

Take no action  
Keep an eye on  
Consider (further) mitigation

1-2
3-5
6-9