

Subject / Aim	Risk
1. To ensure compliance with the Acts of Parliament, Council's financial regulations and code of conduct	1. Lack of knowledge of regulations and codes.
	2. Absence of standing orders.
	3. Actions by the PC outside its powers laid down by Parliament.
	4. Lack of commitment to regulations and procedures.
	6. Payments made without prior approval and adequate control.
	7. Lack of control of signatories to cheques and electronic payments.
2. To keep appropriate books of account accurately and up-to-date through out the financial year.	1. Lack of knowledge of accounting requirements.
	2. Lack of commitment to accounting requirements.
	3. Bank charges unnecessarily incurred
	4. Inaccuracies in recording amounts, totals in books of account, and bank reconciliations.
	5. Inaccuracies and interest losses caused by account transfers.
	6. The most beneficial interest terms not being employed.
	7. Inadequate control of cash receipts and payments.
	8. Books of account not kept up to date/ invoices not posted promptly.
	9. Internal controls not in place or not operated.
	10. Payments missed, delayed or the incorrect due to inadequate filing of invoices.

	11. RFO taken ill or leaves without replacement
3. To ensure that payments made from council funds, and the use of assets, represent value for money, are adequately managed, and comply generally with the wishes of the residents.	1. Lack of knowledge of wishes of residents.
	2. Use of funds not giving value for money.
	3. Charges for use of facilities inadequate.
	4. Fundraising not properly controlled or not in accordance with regulations.
4. To ensure that the annual precept requirement results from an adequate budgetary process; progress against the budget is regularly monitored; and reserves are appropriate.	1. Lack of knowledge of budgetary process, and Council regulations.
	2. Lack of commitment to budgetary process.
	3. Inadequate consideration of requirements for annual precept.
	4. Inadequate internal controls with regard to monitoring expenditure.
	5. Reserves too low.
5. To explore all possible sources of income, and to ensure that expected income is fully received.	1. Lack of knowledge of possible sources of income e.g. grants.
	2. Receipts not banked or not banked promptly.
	3. Debts not pursued promptly.
	4. VAT claims not made promptly or made incorrectly.
	5. Delay in receipt or lower than budgeted sub-committee income.

6. To ensure that salaries paid to employees and amounts paid to contractors are paid in accordance with council regulations, and adequately monitored.	1. Inappropriate rate of pay to employees.
	2. Tax and NI arrangements not in accordance with regulations.
7. To ensure that year end accounts are prepared on the correct accounting basis, on time, and supported by an adequate audit trail.	1. Lack of knowledge of Council regulations and procedures.
	2. Late or non-submission of annual accounts.
	3. Year end accounts not prepared, inaccurate, or not in accordance with Council requirements.
	4. Inadequate audit trail from records to final accounts.
8. To identify, value, and maintain all the assets of the Parish Council, and ensure that asset and investment registers are complete, accurate and properly maintained.	1. Lack of knowledge of assets of Parish Council.
	2. Assets lost or misappropriated.
	3. Inadequate or inaccurate valuation of the council's assets.
	4. Asset register not established or inadequately maintained.

Management / Control
Ensure that all Councillors have access to copies of relative Acts, Code of Conduct, Standing Orders, Financial Regulations.
Training courses attended by councillors and Clerk where gaps in knowledge.
Ensure that Standing Orders and Financial Regulations are produced, understood by councillors, and reviewed towards the end of council's term of office. Also ensure they are acted on.
As at 1 above, but ensure that powers are highlighted or extracted into effective summary.
Ensure that all councillors are aware of regulations re. estimates and full tender procedures. Refer to Financial Regulations.
Separation of duties within payment process (Raiser and Approver).
Two signatories required on all payments. Invoices circulated to all Council members before payment made. Larger payments approved at PC meeting and recorded in minutes. Keep cash payments to a minimum, avoid if possible. Keep authorised signatories to a minimum consistent with practicalities.
Ensure that all councillors are familiar with current financial regulations and include them in standing orders. Regularly review standing orders. Appoint an RFO to take overall responsibility for financial management.
As at 1. above. RFO to produce quarterly financial reports along with budget reports. Audit reports to be made available to all councillors and any recommendations to be acted upon promptly.
Monthly bank reconciliations completed and presented at the next PC meeting. RFO to request transfer of funds when required to ensure sufficient funds are kept in the Current account.
RFO to ensure that books of account are formatted in such a way that internal controls are included and activated. Regular internal audits to advise on internal controls required. RFO to carry out monthly bank reconciliations.
Keep number of accounts to a minimum but ensure that any large credit balances are deposited in an interest bearing account.
Ensure that favourable interest rate is obtained in deposit accounts and review against alternatives, but bearing in mind the risks in changing accounts.
Petty cash is not kept or used.
Regular checks by RFO and Clerk. RFO to reconcile bank accounts monthly. Accounts reviewed regularly at PC meetings
Regular checks by RFO and Clerk. Accounts reviewed regularly at PC meetings
Regular review by the Clerk to ensure all invoices received have been processed and paid correctly. Signatories to review payment/s and invoice/s before approving payment. RFO to advise Clerk when payment made. Ensure sufficient funds available in bank account to meet expenditure.

<p>Accounts to be held centrally and accessible to all Councilors.</p> <p>RFO provides 'How to' guide to be held centrally.</p> <p>Clerk is trained on the financial recording and reporting process.</p> <p>Locum RFO options researched regularly.</p>
<p>Ensure residents are consulted on all major financial spends.</p>
<p>Effective budget planning processes and tendering processes.</p> <p>Review all invoices and check that the goods or service has been received and to the required quality before payment made.</p>
<p>Regular communication with Pavilion Management Committee (PMC).</p> <p>Visibility of PMC finances and budgets.</p>
<p>All councillors and sub-committees to be aware of need to check regulations before commencing fund-raising activities.</p> <p>Effective financial management sub-committees with oversight from Parish Council.</p>
<p>Include regulations in Standing Orders issued to all councillors.</p> <p>Place item on agenda early in year to remind councillors of budget process and actions required.</p> <p>Delegate responsibility for managing budgetary process to the RFO, with assistance from the Clerk.</p>
<p>As at 1. above</p> <p>Involve all councillors in budgetary process not solely the RFO.</p>
<p>Place item on agenda early in year to remind councillors of need for a precept.</p> <p>Delegate responsibility for managing budgetary process to RFO, with assistance from the Clerk.</p> <p>Start consideration of calculation at least 4 months prior to submission date</p>
<p>Checks by RFO. Financial and budget progress reports at PC meetings.</p>
<p>Checks by RFO. Reviewed at PC meetings and as part of the precept calculation.</p>
<p>Councillors to seek advice from relevant agencies of all grants available and application procedures.</p>
<p>RFO to regularly pay-in any cash and cheques received.</p>
<p>RFO to keep records of receipts due. Councillor/s managing allotments to pursue allotment holder receipts due.</p>
<p>RFO to record and review VAT throughout the year. VAT claim (VAT126) made promptly at completion of year end accounts.</p>
<p>Regular review of sub-committee finances and expected income. Manage budgets accordingly.</p>

Ensure employee regulations are available and understood by the Chair, RFO. Ensure employee's contract is available and regularly reviewed. Advice taken from payroll provider.
As at 1 above. Advice taken from payroll provider.
Include financial regulations in Standing Orders. Attend training seminars where available.
Overview by Parish Council. Regular financial reporting at Parish Council meetings.
Overview by Parish Council. Regular financial reporting at Parish Council meetings.
Overview by Parish Council. Regular financial reporting at Parish Council meetings.
Ascertain and record all assets for which Parish council is responsible. Create permanent asset register.
Establish who is responsible for security and maintenance of each asset. Council responsible for regular monitoring of location and use of assets. Clerk/RFO to ensure appropriate insurance is held.
Arrange for periodic review of valuations and arrange for professional valuation where necessary.
Create asset register in accordance with Audit Commission requirements.

[illegible]

RFO Clerk	M
All Councillors Clerk Chair RFO	L
All Councillors Clerk Chair RFO	L
All Councillors Clerk Chair RFO	L
All Councillors Clerk Chair RFO	L
Chair All Councillors Clerk RFO	M
Chair RFO	M
RFO Clerk	M
RFO	M
RFO	H
Chair All Councillors Clerk RFO	L
RFO Clerk	L
RFO Councillors	L
RFO	M
RFO Chair Clerk	M

Chair RFO	M
Chair RFO	M
RFO Clerk	H
RFO Clerk Chair All Councillors	H
RFO Clerk Chair All Councillors	H
RFO Clerk Chair All Councillors	H
Clerk RFO	H
RFO Clerk Chair All Councillors	H
Clerk RFO	H
Clerk RFO	H