

Ringwold with Kingsdown Parish Council – Risk Assessment – Finance

Function	Perceived or Actual Risk	Prevention & Save Guards	Risk Levels
Employment of Staff Purchase of outside expert advice or for the delivery of work	Failure to discharge Council functions	Ensure staff appointed is qualified for position & update training is provided Ensure company or individual appointed is trained, covered by professional and public liability – if required – and belongs to a recognised body.	Low
Keeping of Parish Council Accounts	Inaccurate or failure to maintain records	For the RFO to supply copies on a monthly basis of payments required	Low
Annual budgets and precept requests	Failure to provide for services required. Overspend on budgets Underspend on budgets	Ensure that budget timetables are adhered to. Ensure budget sheet is maintained and updated as above. Precept requests not submitted to District Council until agreed at full Council meeting	Low
Unauthorized withdrawals from accounts	Failure to have cheques signed by two councillors. If Bacs payments	No blank cheque to be signed. All invoices must be agreed at either a Council or Committee Meeting. To print confirmation when payment made, and attach to the invoice.	Low
Staff Payroll	Failure to pay staff at the correct rate	To ensure payment figure is made according to agreed figure. Use of Payroll company to produce correct information.	Low

Asset Control	Possibility of being under insured	To update list when purchases are made To review insurance levels annually by the council. If required have assets independently assessed.	Low
Insurance	Failure to have correct level in place	Check levels annually and adjust as required. To check and confirm in writing any that events are covered.	Low
VAT	Failure to claim repayments Incorrect VAT input and calculation made	Ensure VAT claim is submitted each year and reported to the full council. Ensure that all invoices have registered VAT numbers on them Ensure that VAT is entered correctly	Low
Purchases	Failure to observe Standing Orders Inappropriate use of Council funds Breach of Financial regulations	Ensure that purchases are agreed at Council or Committee meetings. Or if in an emergency RFO to liaise with Council Chairman and Vice Chairman. Ensure Councillors are aware of Code	Medium
Investments	Loss of Capital invested	Ensure proper investigation prior to agreement of the investment and that it conforms to the PC agreed investment strategy.	Medium

		No money to be invested without full Council approval.	
Borrowing money	<p>Failure to minimise fees</p> <p>Failure to follow rules and regulations on borrowing</p> <p>Over borrowing, being unable to meet payments</p>	<p>Full Council to investigate alternative options before agreeing to borrow money.</p> <p>Ensure borrowing is agreed by full council</p> <p>To contact KALC for advice and borrowing approval.</p>	Low
Audits – internal and external	<p>Failure to comply with audit processes.</p> <p>Failure to secure independent audit</p>	<p>Ensure all accounts are presented to the full council by the prescribed date.</p> <p>Maintain time table for completion of accounts.</p> <p>Ensure that independent auditor is agreed by February.</p>	Low
Making Grants	To prevent the Parish Council from making grants outside their powers.	<p>No grants should be made without full council approval.</p> <p>Confirmation from the Clerk that the grant is within the Council's powers.</p>	Low

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