Occold Parish Council

Risk assessment and financial management for the period 1st April 2025 to 31st March 2026

The risk management procedures, as documented below, were confirmed to be in practice by the Internal Auditor on ………………………………………. (date)

Topic	Risk Identified	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
	Wrong deductions – NI and Income Tax	M	Check to PAYE calculations	Member to verify
Direct costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	Approval check
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on quarterly basis	Member to verify
	Cheque payable is excessive or to wrong party	M	Signatories initial cheque stub and voucher	Approval check
Grants & support	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 to verify
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
Election costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify
VAT	VAT analysis	M	All items in payments and receipts spreadsheet	RFO verify
	Claimed within time limits	M	Agree returns submitted	RFO verify
	Charged on purchases	L	Consider all items per accounts spreadsheet	RFO verify
Reserves – General	Adequacy	L	Consider at Budget setting	RFO opinion. 3 year plan
Reserves – earmarked	Adequacy	L	Consider at Budget and review of final accounts	RFO opinion
	Unidentified earmarked or liability contingent	L	Review Minutes	RFO/Member view
Assets	Loss, damage etc	M	Annual inspection, update insurance and asset registers	Diary
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability insurance	Diary
Staff	Loss of Clerk	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate	RFO/Member view
	Fraud by staff	L	Fidelity Guarantee value appropriately set	Council review annually
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of insurance cover	Diary

Maintenance	Reduced value of assets – loss of income or performance	M	Annual maintenance inspection	Diary
Legal Powers	Illegal activity or payment	M	Educate council as to their legal powers	Clerk to advise councillors
Financial Records	Inadequate records	L	RFO/Clerk check regularly + internal audit	Diary
	Loss of computerised records	L	Back up to secure location	RFO check
Minutes	Accurate and legal	L	Review at following meeting	Diary
Members Interests	Conflict of interest	M	Declarations of interest to be documented/minuted and conflicts addressed as appropriate	Diary
Precept	Not submitted	L	Full minute – Member follow up	Diary
	Not paid by District Council	L	Confirm receipt	Diary
	Adequacy of precept	H	Twice yearly review of budget to actual	Diary
Other Income	Cash handling and banking	L	Cash handling avoided where possible. Check to bank statements, regular reconciliations	Diary
Grants	Claims procedure	M	RFO check as required	Diary
	Receipt of grant when due	M	RFO check as required	Diary
Investment income	Receipt when due	L	RFO check as required	Diary
	Surplus funds	L	Review levels of reserves and investment policy annually	Diary
Electronic payments	Incorrect payment or electronic amount made No monitor on actual electronic payment Payments made without council approval	M M M	Checking of amount before final submission for payment. ***This depends on what system your bank uses*** All BACS payments are approved by council prior to the payment being made. A record of every electronic payment is signed off by two councillors at a council meeting, and the clerk will print off every electronic payment confirmation and attach it to the corresponding invoice for audit purposes.	Review Annually

Reviewed and agreed at meeting of Occold Parish Council on 2 March 2026