

Wolston Parish Council

Financial Risk Assessment

Item	Detail	Risk	Controls and Action	Complying with Control?	Further Actions (If required)
Book Keeping - Spreadsheet Database	To keep an accurate record of the Council's income and expenditure	Inaccurate or failure to maintain records properly could lead to loss of income, misappropriation of Council funds or overcharging by suppliers. Loss of database would lead to the loss of all electronic financial records	Review Financial regulations annually. Monthly backup of database.	Yes	
Precept	To ensure an adequate precept request	Capital reserves going below minimum legal requirement and failing to provide for services if the precept is too low. Unnecessarily increasing residents Council Tax if precept request is too high.	Effective budgeting and evaluation of Council Tax Base Rate. To be discussed and reviewed by Councillors.	Yes	
PAYE	Payment of wages and salaries to Council Employees	Failure to comply with legislation and employee terms and conditions. Failure to deduct correct Tax and NI contributions.	Review Financial Regulations annually. For the Chairman and RFO to endorse and authorise payment.	Yes	
Register of Assets	To keep an accurate and up-to-date list of Assets	Risk of asset list being out of date if items are purchased or disposed of. Risk undervaluing assets for insurance purposes.	Review Asset register annually	Yes	
Bank Reconciliation	To record and check Council's income and expenditure transactions	Inaccurate or failure to maintain records properly could lead to loss of income, misappropriation of Council funds or overcharging by suppliers.	Review Financial Regulations annually. For a Bank Reconciliation to be reviewed regularly at Parish Council meetings.	Yes	
Insurance	To ensure adequate and accurate insurance cover is provided for the Parish Council in all areas of business	Inadequate cover could lead to financial loss and legal claims against the Council	Review Insurance Schedule annually	Yes	
Bank and Banking	To prevent fraud , to identify bank mistakes and to ensure the accuracy of cheques	To ensure that cheques have two signatories. To ensure all bank statements are checked against the Finance database.	Review Financial Regulations annually. To retain bank statements for 10 years	Yes	
Security and Confidentiality (including DPA)	To prevent fraud, theft and breaches of the Data Protection Act	Risk of being in breach of the Data Protection Act and of losing paperwork and/or property due to theft or fraud	To comply with the Data Protection Act policy and to review policy annually. To ensure all paperwork and documents are locked away or shredded. To ensure the laptop is backed up and the backup is in a secure location.	Yes	
CILCA Qualification	For the Clerk to gain the CILCA qualification	That the Parish Council is run inefficiently and may not comply with required policies and legislation	For the Clerk to register interest for the CILCA. To ensure that the Parish Council is run as effectively and efficiently as possible	No	For the Clerk to register for the CILCA
Freedom of Information Act	To comply with regulations and the Publication Scheme	To ensure that requests are recorded and the policy/Act is complied with	To review the Publication Scheme policy annually	Yes	
VAT	To maintain record and re-claim within the time limit	Inaccurate or failure to maintain records correctly could result in incorrect request being made to the HMRC	The Clerk to request VAT refunds periodically and within time limits.	Yes	

Endorsed on 7th March 2013 Agenda Item 174  
To be reviewed at the next AGM