

Topic	Risk Identified	Impact of Risk 1-3 (L-H)	Frequency of Risk 1-3 (L-H)	Risk 1-9 (impact x frequency)	Management of Risk	Action required	Review
Salaries	Wrong salary paid	2	1	2	Check to minute & Councillors verify	RFO verify	12 months
	Wrong hours paid	1	1	1	Check to timesheet/contract	RFO verify	12 months
	Wrong rate of pay	2	1	2	Check to contract	RFO verify	12 months
	False employee	3	1	3	Check to PAYE Records & lists	RFO verify	12 months
	Wrong deductions – NI	1	1	1	Payroll software updates	RFO verify	12 months
	Wrong deductions – Spr	1	1	1	Payroll software updates	RFO verify	12 months
	Wrong deductions – Income tax	1	1	1	Payroll software updates	RFO verify	12 months
Direct Costs and overhead expenses	Goods not supplied to STC	1	1	1	Order system	Approval check	12 months
	Invoice incorrectly calculated	1	1	1	Check arithmetic	Approval check	12 months
	Cheque payable is excessive	2	1	2	Signatory initials etc Stub & Voucher	RFO and Member verify	6 months
	Cheque payable to wrong	2	1	2	Signatory initials etc Stub & Voucher	RFO and Member verify	6 months
	Stock loss	1	1	1	Point of sale info and control	Reconcile to Stock	6 months
	Clrs Allowances	Clr overpaid	1	1	1	Claim form & minute reference	RFO verify
Grants & support	Income tax deduction	1	1	1	Check to PAYE Records & lists	RFO verify	6 months
	Power to pay	1	1	1	Minute power and GPC	Member verify	12 months
	Agreement of Council to pay	1	1	1	and supporting information, minuted and checked by IA	Member verify	12 months
Election Costs	Conditions agreed	1	1	1	Use reasonable conditions	RFO check	12 months
	Invoice at agreed rate	1	1	1	RFO check and consider budget	RFO verify	Whenever
	Unexpected by-elections	3	2	6	Manage councillor training and expectations	Town Clerk	24 months
	VAT irrecoverable	VAT analysis	2	1	2	All items in cash book lists	RFO verify
Reserves - General	Charged on sales	1	2	2	Consider annually	RFO verify	12 months
	Charged on purchases	1	1	1	Consider all items per cash book lists	RFO verify	12 months
	Exemption properly applied	3	1	3	Consider annually – complex issue and on larger projects external advice sought	RFO verify	12 months
	Claimed within time	2	1	2	Agree returns submitted quarterly	RFO verify	12 months
	Adequacy	2	1	2	Consider at Budget setting	RFO opinion	12 months
Reserves – Earmarked	Adequacy	1	1	1	Consider at Budget setting and Final accounts	RFO opinion	12 months
	Earmarked or Contingent liability	1	1	1	Review minutes with Chair, General Management Committee	RFO/member view	12 months
	Assets	Loss, Damage etc	2	2	4	Annual inspection by Council and IA, update insurance and asset registers.	
Staff	Risk or damage to third party property or individuals	2	2	4	Annual inspection, update insurance/review asset register and report to members	Diary	12 months
	Loss of key personnel (Clerk)	3	2	6	Regular meetings / appraisals	HR Committee	24 months
	Fraud by staff	1	1	1	Fidelity Guarantee Insurance	Council	12 months
	Consequential loss due to critical damage or third party performance	3	1	3	Annual review of cover taking account of new responsibilities	Diary	12 months
Loss	Loss through theft or dishonesty	1	1	1	Insurance	Diary	12 months
	assets or amenities loss of income or performance	2	2	4	Regular maintenance inspection	Diary	12 months
Maintenance	Adequacy of finances to be able to repay loans	1	1	1	Financial review and cashflow forecasting monthly	Diary	
	Borrowing / lending	1	1	1			
Legal Powers	Illegal activity or	3	1	3	Educate Council as to their legal	Diary	24 months
Financial Records	Inadequate records	1	1	1	RFO/clerk check quarterly + regular	Diary	12 months
Minutes	Accurate and legal	1	1	1	Review at following meeting	Diary	12 months
Members interests	Conflict of interest	2	3	6	refresher training. Update declarations of interest	Diary	12 months

Reviewed and adopted on _____

Note: Risk assessment must be reviewed and adopted by the Council annually during the financial year and before 31st March.