



# CHARMOUTH PARISH COUNCIL FINANCIAL RISK ASSESSMENT

**Activity: Financial Business**

**Review date: March 2025**

<b>Subject</b>	<b>Risk(s) identified</b>	<b>Level</b>	<b>Control</b>	<b>Review procedures</b>
Precept	Adequacy of precept in order for the Council to carry out its Statutory duties	L	To determine the precept amount required, the Council regularly receives budget update information. At the precept meeting Council receives a budget report, including actual position and projected position to the end of year. With this information the Council maps out the required monies for standing costs and projects for the following year and applies specific figures to budget headings, the total of which is resolved to be the precept amount to be requested from Dorset Council. The figure is submitted by the Clerk in writing by the requested date.	Existing procedures ensure that an accurate Precept is requested.
Financial Records	Inadequate records Financial irregularities	L L	The Council has Financial Regulations which sets out the requirements.  Regular Internal Audit checks undertaken.	Regular Review of Financial Regulations undertaken. Existing procedures meet requirements.
Bank and banking	Lack of control over banking/ procedures/checks	L	The Council has Financial Regulations which set out banking requirements, including Monthly reconciliation/reports presented at Parish Council meetings.	Existing procedures ensure that banking controls are followed.

Reporting and auditing	Reporting inaccurate Information	L	Financial reporting is bi-monthly via the F&GP Committee. Members have the opportunity to discuss, question and review financial matters at meetings.	Relevant procedures in place.
Grants	Non receipt of grants	L	Grant applications/procedures are followed and decisions shared with members as and when relevant.	Relevant procedures in place
Grants and support payable	No authorisation of Council to pay	L	All such expenditure must adhere to the Council's process of approval, be minuted and listed accordingly if a payment is made using S137 powers of expenditure.	Existing procedures meet requirements.
Best value accountability	Work awarded Incorrectly.  Overspend on services.	L  M	Financial Regulations followed or suspended if appropriate. 3 quotations/estimates obtained where possible. Financial controls to be undertaken and monitored. Procurement procedures to be followed.	Existing procedures adequate.
Salaries and assoc. costs	Salary paid incorrectly.  Unpaid Tax/NI to Inland Revenue.  Unpaid pension contributions.	L  L  L	Contract of Employment in place for all employees. Wages payments checked and signed off weekly by two signatories. Annual review of salaries to be undertaken before Annual Precept is agreed. HM Revenue and Customs REAL TIME procedures followed for NI and PAYE. Pension returns completed weekly. Annual returns completed on Line within the required timescale.	Existing procedures cover all Risks.  HM Revenue and Customs controls and checks

Employees	<p>Fraud by staff</p> <p>Health and safety non compliance</p>	<p>L</p> <p>L</p>	<p>Requirements of Fidelity Guarantee insurance adhered to re fraud. Finance reports presented. End of Year information reported/internal and external audit controls. H&amp;S consultant appointed – annual audit All employees to be provided adequate direction and safety equipment needed to undertake their roles. Detailed Risk Assessments undertaken for all tasks.</p>	<p>Existing procedures meet requirements.</p> <p>Regular monitoring of health and safety requirements Employment insurance cover monitored annually.</p>
VAT	Reclaiming/charging - accuracy	L	<p>The Council has Financial Regulations which set out the procedures to be followed. Reporting to Council of VAT recovered/paid.</p>	Existing procedures meet requirements
External Audit Annual Return	Submission of financial documentation as required within time limits	L	<p>External Audit Annual Return completed and signed by the Council, submitted to internal auditor for completion and relevant checks. The Clerk to ensure that further requests from the External Auditor are responded to promptly and reported to the Full Council.</p>	Existing procedures meet requirements
Legal Powers	Illegal activity or payments	L	<p>All activity and payments within the powers of the Parish Council to be resolved/approved at full Council Meetings. Control presented through regular finance reports.</p>	Existing procedures meet requirements

Minutes/agendas/ Notices Statutory Documents`	Accuracy and legality relating to official business documentation Business conduct	L  L	Minutes and agenda are produced in the prescribed manner by the Clerk and adhere to the legal requirements. Minutes are consecutively numbered with each individual page initialled by the chair and the final page signed and dated by the chair.  Agenda displayed according to legal requirements. Business conducted at Council meetings should be managed by the Chair	Existing procedures meet legal requirements. Members adhere to Code of Conduct
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Members interests	Conflict of interests  Register of members interests	L  M	Declarations of interest by members at Council meetings. Register of members interests forms online from 2021 with individual login issued to all Councillors (training provided).	Existing procedures adequate. Members take responsibility to update register when required.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	L L L L	An annual review is undertaken of all insurance arrangements to include: <ul style="list-style-type: none"> <li>• Employers and Employee liabilities</li> <li>• Fidelity</li> <li>• Public Liability</li> <li>• Assets and Equipment</li> </ul>	Existing procedure adequate. Insurance reviewed annually.
Data protection	Policy provision	L	The Parish Council is registered with the Data Protection Agency GDPR Policies approved by Council	Ensure annual renewal of registration Review annually
Freedom of Information	Policy  Provision	L  M	The Council has a Model Publication scheme.	Reviewed regularly Monitor any requests made under FOI

