

# Financial Risk Assessment Form

Brief outline of work/activity	<b>Highwood Parish Council</b>	Prepared by:	Karen Kuderovitch
Location	<b>Springfields Crows Lane Woodham Ferrers Essex CM3 8RR</b>	Reviewed by: Parish Council	Review date 18 <sup>th</sup> July 2022  Next Review Date: March 2023

TOPIC	RISK	Probability	Impact	Severity Index	Control	Verification/Action
<b>PETTY CASH</b>	Theft from Clerk	2	1	2	Secure box & storage.. Not to exceed £200 (high impact) Checked regularly, minimal risk Routine check & audit	Restricted use (Clerk)
	Theft – by Clerk	1	10	1		
	Running out of Funds	2	1	2		
	Incorrect Records	4	1	4		
<b>BUDGET</b>	Previously unidentified expenditure (in excess of £5K0	3	6	18	Quarterly/Annual Budget checks. Major expenditure planned, reserve funds Budget planned. Acceptable risk Regular budget reviews. Acceptable risk Annual Review. Acceptable risk Monthly audit. Quarterly Reviews	
	Exceeds Precept	1	8	8		
	Missed budget item	1	6	6		
	Clerks pay rise	3	4	12		
	Incorrect records	2	6	12		
<b>ACCOUNTS</b>	Theft or loss of records – paper	3	7	21	Transfer & electronic back up daily and weekly Routine backups. At least one copy kept at different location/ISP	Fireproof safe to be agreed and purchased and installed
	Theft or loss of records – electronic	2	2	4		
	Theft or loss of cheques	2	4	8	Insurance. Secure storage Indemnity Insurance. Review bank statements	Regular control checks on signatories
	Fraud	2	10	20		
	Unauthorised payments	2	2	4	No payment without invoice. Invoice cross checked and initialled & two signatures  3 tier on line authorisation program	Review annually
	On line Banking	2	2	4		
	Collapse of financial institution	2	10	20	Use of reputable institutions to minimise risk No significant amounts involved	
	Unpaid debts	2	3	6		
	Failure to issue invoices	2	3	6	As above	
	Failure to pay bills	2	5	10		
Failure to manage accounts	2	9	18	Records Management Review trends to identify anomaly Monthly audit. Quarterly review. review annually	Parish Tour Dates	
Incorrect records	2	5	10			
<b>INSURANCE</b>	Underinsured	3	10	30	Review Capital Assets Register & Annual	

<b>DELEGATED ISSUES</b>	Failure to pay premium	2	10	20	Reviews	To be investigated
	Material non disclosure	2	10	20	Renewal Notice. Clerks diary	
	Failure to identify risk (appropriate cover)	3	10	30	Clerks diary. Risk Assessment review six monthly	
	Uninsured indemnity (failure to comply with RoSPA recommendations)	2	10	20		
	Theft or loss of PC equipment from Clerks office & cost of replacement	2	6	12	Parish Tours. Risk Assessment review six monthly	
					Commitment to insurers to copy Playground Inspection report with accompanying action plan	
	Indemnity against Village Hall failures	3	5	15	Insurance cover & off site back up of electronic records	
	Indemnity against Village Hall Committee resigning	3	5	15	Councillor on Committee	
	Theft or fraud by Councillors	2	10	20	Could involve some financial risk	
	Title Deeds – Theft or Loss	4	8	32	Audit & insurance indemnity Lodge originals with bank or in fireproof secure storage in PC office Keep copies. Maintain deeds and critical documents register	
				<b>KEY:</b> <b>Severity index is achieved by x Probability &amp; Impact</b> <b>Probability 1 least likely - 10 high</b> <b>Impact 1 minimum - 10 maximum</b>		