

Financial and Management Risk Assessment - Preston Parish Council

Income

Topic	Risk Identified	Likelihood	Impact	Management of Risk	Staff Action
Precept	Not submitted	L	H	Full PC Minute - RFO to follow up	Diary
	Not paid by NHC	L	H	Check and report to Full Council	Diary
	Adequacy of precept	M	M	Quarterly review of budget to actual	RFO to monitor and report
Sports Rental	Fees not set at adequate levels	M	M	Full council to review rentals on annual basis	Council meeting
	Clubs not paying	M	M	Issue of invoices on annual basis	RFO to monitor and reconcile
Grants from external	Claims procedure	M	L	Clerk to be aware of funding opportunities	Clerk to keep updated
Bank interest	Receipt when due	L	L	Monthly check on interest accrued and not paid on Redwood accs, three monthly interest noted on Instant Access Unity acc	RFO to bank reconcile
Expenditure					
Power to spend	Ensure powers exist to allow payments	L	M	Clerk trained and members elected	
Salaries	Wrong salary paid	M	M	Check to minute	Member verify
	Wrong hours paid	M	M	Check to minute/contract	Member verify
	Wrong rate pay	M	M	Check to minute/contract	Member verify
	Wrong deductions - NI	M	M	Check PAYE records and lists	Member verify
	Wrong deductions - Tax	M	M	Check to PAYE calculations	Member verify
Pension Provision	Legal duties as employer	M	M	Council is an admitted body NEST	Full Council to consider at recruitment
Direct Costs and	Goods not supplied to PC	M	M	Purchase order monitoring	RFO to monitor
Overhead expenses	Invoice incorrect	M	M	Check order value against invoice	RFO to monitor
Grants and support	Agreement of Council to pay	L	L	Grant application received, Council Minute	Member verify
	Conditions agreed	L	L	Use reasonable condition	RFO to check
Election costs	Invoice at agreed rate	L	M	RFO check and consider budget	NHC to advise. Build into annual budget and ring-fence
VAT irrecoverable	VAT analysis	L	M	All items recorded in Scribe	RFO verify
	Charged on purchases	L	M	All items recorded in Scribe	RFO verify
	Claimed within time limits	M	M	Annual reclaim in April for previous year	Diary
Management Risks					
Reserves	Adequacy	M	M	Consider at budget setting	RFO opinion, member verify
	Building up reserves	M	M	Annual review at final accounts	Member verify
Reserves - ear marked	Adequacy	L	M	Consider at budget and final accounts	RFO advice and member verify
Assets	Loss damage etc	M	M	Annual inspection, update insurance & register	RFO verify
	Risk or damage to third parties	M	M	Annual review Public Liability Insurance cover	Diary
Staff	Loss of Clerk/RFO	M	H	Hours, pay, training, stress	Staffing Working Party recommendations
	Fraud by staff	L	M	Fidelity Guarantee value - annual check	Full Council
		L	M	Bank statements to be reconciled	Full Council
Cash	Loss through theft or dishonesty	L	L	Cash not used for purchases	Full Council

Internet payments	Loss through theft or dishonesty	L	H	RFO to submit, 2 councillors to authorise	Member verify
Cheque misuse	Fraud by members	L	L	Cheques raised by RFO, signed by 2 Cllrs,	No cheques issued in 2025/6
Maintenance	Loss of amenities	L	M	Inspections	Member verify
Borrowing	Adequacy of financial controls	L	M	Financial review and cashflow	Diary
Standing Orders	Provision and updating	L	L	May-26	Agenda item at Annual Meeting
Financial Regulations	Provision and updating	L	L	May-26	Agenda item at Annual Meeting
Minutes	Accurate and legal	L	L	Reviewed and agreed at following meeting	Diary
Members interests	Conflict of interest	M	M	Update declarations of interest, agenda item	Diary
Lack of RFO	Appointment of RFO	L	H	Part of duties of Parish Clerk, Council Minute	Staffing Working Party recommendations
Financial records	Loss or destruction	L	M	Storage of documentation in Clerk's home / Village Hall	Clerk to manage
	Loss of computerised records	M	M	Cloudbased computer records, Scribe Accounts back up	Clerk / RFO to action
	Lack of skill in systems	M	M	Training for RFO	Full Council
	Maintenance of cashbook	M	M	Scribe Accounts	RFO
Duty of care to public	Public spaces	M	M	Risk assessments as required	Clerk, Full Council
	Play areas	M	H	Monthly visual check	Clerk
		M	H	Annual NHDC playground assessment	Clerk to book in with NHDC
Property					
Trees	Routine cyclical inspection	M	M	3 year tree inspection by qualified arboriculturalist	Full Council