
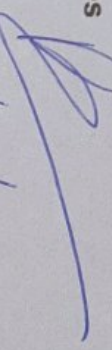
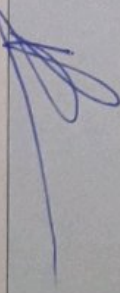


Ref	Risk	Countermeasures in place to mitigate Risk	Notes / adequacy of current countermeasures
F	Financial Controls	Issue No 15 – for review& adoption by PC March 2024	
F1	If no experienced / qualified officer available for running Council's finances	A – Recruitment & appointment of a replacement RFO B - Training & induction of new RFO C – Seek advice from HATPC and professional bodies D – Retiring RFO retained for 1-2 months after new RFO has joined	A – If Clerk does not have financial skills or adequate time to undertake this work. B & C – If the recruited RFO is inexperienced. D – Best practice
F2	Financial Regulations not followed	A- Councillors to remind themselves of content of Fin. Regs. annually B- New members to be directed to the F Regs on PC website C- Int Auditor to check adherence by sample audit annually	A- Clerk add to agenda annually B- Clerk/Chair to advise members C- RFO to include compliance check to internal audit plans
F3	Lack of clear and transparent financial overview (i.e. compliance with 2015 Transparency code)	A - Parish Chairman to check periodically, B - Internal Auditor to undertake annual Internal Audit. C - Regular reporting to Council of actual spend vs. budget via regular Management Accounts and Financial Report prepared by RFO. D – Financial information to be published on the Sandon Herts Website in accordance with Transparency Act 2015	A -Ongoing B - Ongoing C –Done as part of Fin Report for each meeting D – Ongoing for quarterly & year end reporting
F4	Expenditure and or Commitment to spend made without proper authority	A - RFO to check Council spending is in accordance with financial regulations B - RFO to keep cheque books in secure location C – 2 signatures required on all cheques/ payment instructions D – No petty cash float held within PC E – No reimbursement of officers without appropriate receipts	A – Ongoing B - Ongoing C – Bank Mandate reviewed annually D&E – Expenses only reimbursed by cheque
F5	Loss/destruction of key original hard copy financial documents by fire, flood etc	RFO & Clerk have electronic copies of all policies employment contracts and other key documents, (invoices not now scanned, as duplicates can be obtained from suppliers). Minutes are held in both hard copy and electronic form. Website depository for key documents now active	Main records held electronically in several separate locations hence impact of loss of hard copy records not seen as high.
F6	Loss of computerised records (including Payroll & PAYE).	A - Back-up of all files & software on RFO's hard drive B – Regular backup of PAYE data in Moneysoft Payroll system C – Replace ageing PC's D – Cloud based filing system in place	A – RFO's backup to remote hard drive done on each use. B – Done at each payroll run C – RFO's PC replaced Jan 2016
F7	Lack of systems skills	A - Training for RFO & Clerk if required	A - currently seen as acceptable

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A	Accounting		
A1	Incorrect expenditure code attribution	<ul style="list-style-type: none"> A - RFO to attribute code on receipt of invoice B - RFO to check budget allocations C - Internal Audit to check 	<ul style="list-style-type: none"> A - Ongoing B - Monthly C - Annually
A2	Incorrect data entry	<ul style="list-style-type: none"> A - RFO loads Mgt a/c spreadsheet, arithmetic done automatically B - RFO to examine entries on schedules before submission to Council C - Councillors to be vigilant on reviewing management accounts 	<ul style="list-style-type: none"> A - Ongoing B - Monthly
A3	Incorrect entries by Bank / RFO	<ul style="list-style-type: none"> A - RFO to do bank reconciliation for each issue of Management Accounts B - Internal Auditor to conduct sample reconciliations 	<ul style="list-style-type: none"> C - At each Council meeting A - Monthly
A4	Discrepancies in Financial Reports and Management Accounts to Council	<ul style="list-style-type: none"> A - Councillors to scan documents for errors on receipt B - Internal Auditor to conduct sample checks C - Invoices initialled to confirm match to cheques by 2 signatories. 	<ul style="list-style-type: none"> B - Annually A - Monthly B - Annually C - When cheques signed
A5	VAT discrepancies or invalid claims	<ul style="list-style-type: none"> A - VAT claims reconciled to financial schedule by RFO B - RFO to check claims against VAT guidelines for Local Authorities prior to submission C - RFO to refer any queries to local VAT office 	<ul style="list-style-type: none"> A - VAT ledger updated monthly, letter advising any discrepancy to be sent to HMRC. B - Ongoing C - As they arise
A6	Inadequate records on proof of payments made by PC	<ul style="list-style-type: none"> A - RFO to mark all invoices with the cheque number with which they were paid. B - No payments to be made in cash C - Bank statements downloaded for each PC meeting by RFO 	<ul style="list-style-type: none"> A - Ongoing B - Ongoing C - Ongoing

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B	Budget		
B1	Overspend against Budget	<p>A - RFO to check sufficient funds available prior to requesting Council's approval to spend</p> <p>B - Regular bank reconciliations by RFO</p> <p>C - Regular Management Accounts to show actual spend vs. budget.</p>	<p>A - Ongoing</p> <p>B - For each Council meeting</p> <p>C - For each Council meeting</p>
B2	Lack of resources from NHDC Precept payments to achieve desired local support and or meet existing commitments.	<p>A - RFO to check that Council does not make open ended commitments, or commitments over budget when placing orders.</p> <p>B - RFO & Chairman to plan contingency into all capital contracts</p> <p>C - RFO & Chairman to ensure that any unbudgeted contract overrun can be covered by short term loans.</p> <p>D - Reserves policy in place</p> <p>E - Opportunities for improved productivity & possible synergies by working with other local PCs will be explored.</p>	<p>A - Ongoing</p> <p>B - Ongoing</p> <p>C - By project</p> <p>D - Reviewed Annually</p> <p>E - Exploratory meetings to be held during 2023</p>
M	Misappropriation of public funds		
M1	Expenditure without authority	RFO to ensure that prior approval for spending has been pre-authorized by Council / is in compliance with Financial Regs.	Ongoing
M2	Invoice payment without authority	A - All cheques to be listed for approval at each Council meeting and be signed by 2 Councillors, or B if urgent be approved by Clerk & RFO for subsequent approval at next Council meeting and always be shown in the minutes	A & B - At each Council meeting
M3	New cheque book misappropriation	<p>A - All cheque books to be posted to the RFO's address or collected from the bank personally by the RFO.</p> <p>B - Cheques to be stored in a locked drawer at the RFO's home.</p> <p>C - New cheque books can only be ordered by approved signatory</p>	<p>A - Ongoing</p> <p>B - Ongoing</p> <p>C - Signatories reviewed annually & RFO added to enable a/c admin.</p>
M4	Cheque misuse	<p>A - Cheques only to be written against the approved spend schedule or individual payment as approval by Council.</p> <p>B - If no invoice exists RFO to provide written justification.</p> <p>C - All cheques to be signed by two Councillors authorised by the bank mandate. All signatories must initial the cheque stubs, and the corresponding invoice.</p>	Ongoing

Ref	Risk	Countermeasures to Mitigate Risk	Notes / adequacy of current countermeasures
M5	Incoming cash and cheque misappropriation	All cash and cheques to be stored securely and banked within 10 working days. Individual receipts to be issued for all cash received. 2 people to be present whenever cash is counted.	Ongoing
M6	Theft of funds	A – Bi-monthly Bank statements to be obtained and be reconciled and signed off by RFO. B - Ensure Fidelity Insurance in place against theft of funds by staff, councillors and other persons.	A – Bi-monthly B - Reviewed annually
M7	Theft of petty cash or stamps.	A - No petty cash held, all out of pocket expenses incurred by Councillors and Officers to be repaid by cheque against receipts. B – Postage stamps held by Clerk and RFO to be kept to a minimum and securely stored	A – Ongoing B - Ongoing
L	Insurance & Liability		
L1	Level of cover inadequate to replace lost assets	A – P Council Insurance schedule of to be reviewed by RFO in association with Council annually to review repercussions of under insurance vs affordability of cover. B – Confirm that insurance provided by other policies e.g. Village Hall is appropriate and adequate.	A - As necessary i.e. when new asset purchased, but at least annually. B - Village Hall bldg. & contents cover now reviewed annually in Sept. by RFO
L2	Inadequate records of Council's assets and possessions	A - Asset Register maintained by RFO and listed in supplementary Notes to the Accounts at Audit. B – Any deeds or other legal documents relating to assets to be stored securely for P Council by NHDC. C – A record of all asset disposals to be maintained by RFO & reviewed annually by Council. D – Assets loaned out to be covered by a signed loan agreement.	A - Annually B – Ongoing C – Physical check of all assets by RFO annually D - Ongoing
L3	Public liability - Injury to public, employees, members and volunteers including long term liability where children are involved	A – Regular H&S checks to be carried out on play areas and equipment and periodic risk assessments of new / abnormal work practices. B - Visual inspections of other village open spaces, structures & trees. C – Review insurance policy annually for adequacy of cover. D – Retain all insurance & claim documents for at least 25 years.	A.i - Monthly Cllr I. Dell A.ii – Annual by RoSPA B – Monthly by Cllr I. Dell C – annually by PC D – RFO & Clerk to arrange; Ins. records prior to 2010 incomplete.
L4	Employee liability – non-compliance with H&S and employment law.	A – Job Descriptions & Employment Contracts in place B – Disciplinary and Grievance procedures in place C – Monitor H&S and Employment Law updates	A – New contracts to be put in place January 2024 B introduced during 2013

		C - HAPTC is currently main source of this info.
Ref	Risk	Countermeasures to Mitigate Risk Notes / adequacy of current countermeasures
L5	Council not compliant with Real Time PAYE & Auto Enrolment Pension regs. and monthly patrol reporting. to HMRC.	A – Clerk & RFO employed w.e.f. 6 April 2013 B – Council is now registered for mandatory Real Time Reporting of PAYE C – PC Staff are paid monthly, RFO to be vigilant in ensuring that this is done. D – w.e.f. Feb 2017 Council is registered with NEST pensions. E – Clerk / RFO to attend relevant training courses
L6	Inadequate employment policies and procedures within Council.	Now in place – see L5 above
Legend		
NOTE! The assessed severity of the risk takes account of the combined effect of the probability of occurrence and the severity of the impact.	Low Risk No further action required	Medium Risk Additional work required on countermeasures / safeguards
		High Risk Urgent action required to address risk
Assessor (RFO) & Signature Caroline Scott 		Chairman & Signature RJ Davies 
Date: 17 th March 2024		Reviewed and adopted by Sandon Parish Council at its meeting on 17/01/2024 Councillor:  Signature