

Risk	Category	Sub category	Risk Description	Impact	Likelihood (1-3) x Impact (1-3)	Risk mitigation action
1	Financial	Budget				
			a) Overage	a) Excess monies at year end	2 x 1	a) The PC should make every effort to create an accurate budget for the year and this should be reviewed on a monthly basis at the PC meetings, by reference to the Financial Report
			b) Omissions	b) Insufficient funds to cover expenditure.	2 x 1	b) As above.
2	Financial	Precept				
			a) Not submitted	a) would not receive necessary income.	1 x 1	a) Clerk to minute that the precept has been submitted.
			b) Not paid by District Council	b) would not receive necessary income.	1 x 1	b) Clerk to note the date it should be received and check.
			c) Adequacy of precept	c) would not receive necessary income.	2 x 1	c) Clerk to recommend precept based on budget analysis.
3	Financial	Banking				
			a) Banking errors	a) Incorrect balances in accounts.	2 x 1	a) The clerk should check the bank statements monthly for any errors, and alert the PC to any found.
			b) Monies not paid in	b) Potential loss of income/loss of trust in RFO/clerk.	1 x 1	b) The clerk should pay in any cash as soon as received.
4	Financial	Direct Costs/Expenses				
			a) Goods/services not supplied as invoiced to PC	a) Unsuitable product supplied or inadequate service carried out.	2 x 1	a) The clerk should ensure specifications of goods and services are accurate and clearly noted in the agreement, purchase order or contract agreed by the council and also ensure the vendor/provider is fully aware of their obligations under the agreement prior to purchase.
			b) Invoice Incorrectly calculated	b) Incorrect payment made causing possible loss of funds /need to rectify.	1 x 1	b) The RFO should check all invoices prior to paying.
			c) Incorrect amount	c) Potential delay of payment to provider/need to rectify.	1 x 1	c) The RFO should check all invoices prior to sending/raising payment.
			d) Payment to the wrong party	d) Potential delay of payment to the correct source/cause 2 payments to be erroneously made.	1 x 1	d) The RFO should double check payments prior to raising payments.
5	Financial	Expenses	Councillors' expenses incorrectly calcu	Councillor would be incorrectly reimbursed.	1 x 1	The RFO/ appropriate person should verify expense amounts prior to the expenses being paid.
6	Financial	Donations				
			a) Non-permissible donation made	a) Non-permissible donations could result in an issue raised at the audit, breach of guidelines	1 x 1	All current and potential recipients of donations suitability for receiving PC donations should be determined by the PC and donation decisions to be made at PC meetings
			b) Donation made without approval of PC to pay	b) Donation not agreed by council	1 x 1	Payments must be agreed by council lest the financial orders not be followed.
			c) Donations misused by receiver	Funds not used for purposes intended	1 x 1	c) PC to monitor performance of donation recipients
7	Financial	VAT				
			a) Analysis	Incorrect amount claimed	1 x 1	Clerk to monitor VAT return
			b) Claim within time limit	Funds not received/expected receipts not received	1 x 1	Clerk to do timely VAT return
11	Financial	Insurance				
			Insufficient cover/items omitted	Items not covered under insurance	2 x 1	Routinely monitor insurance policy
12	Financial	Fraud				
			Misuse of funds			

			a) Loss through theft or dishonesty	Financial and reputational damage	1 x 1	PC to ensure appropriate processes are in place to cover possible fraudulent activity - e.g. cheque signatories required for payments etc / expenses reviewing.....
13	Financial		Best value			
			a) Overspend on services	Council funds spent inappropriately	2 x 1	Clerk to monitor
			b) Insufficient tenders obtained	Council may not get best value for money	2 x 1	Covered by Financial Regulations
14	Operational	Statutory				
			Annual Return			
			a) Submit within time limits	Council may incur fee	1 x 1	Clerk to submit return
15	Operational	Personnel				
			RFO / clerk			
			a) Illness	a) Absence of key staff may result in operational malfunctions.	2 x 2	a) The clerk/PC to ensure that appropriate processes are in place to cover absence of key personnel.
			b) Resignation	b) The council could be left with no clerk for a period of time.	1 x 2	b) Employment contracts to state suitable notice and handover periods.
16	Operational		Staff salary			
			a) Incorrect salary paid	a) The RFO would have to have the subsequent payroll modified.	1 x 1	a) The RFO should keep the HR working group informed of the salary paid and what the salary should be. Payments should be kept in a payroll book available to the council to review.
			b) Incorrect rate of pay	b) The RFO would have to have the subsequent payroll modified.	1 x 1	b) The RFO should keep the HR working group informed of the salary paid and what the salary should be. Payments should be kept in a payroll book available to the council to review.
			c) Phantom employees	c) Loss of monies - The RFO would have to ensure monies did not go to a source from which they could not be returned.	1 x 1	c) The council should review/authorise all payments.
			d) Unpaid tax to HMRC	d) The RFO would have to remedy with HMRC	1 x 1	d) The RFO should ensure the payroll accountant is filing taxes with HMRC The RFO should rectify any situation if notified by HMRC
17	Property/contractual	Suppliers				
			a) Poor performance by suppliers	Suppliers not delivering service as expected	2 x 2	Council and clerk to monitor the service of suppliers
18	Property	Assets				
			a) Acquisition		1 x 1	Clerk to record acquisition of assets and update Asset Register/insurers
			b) Disposal		1 x 1	Clerk to manage disposal of assets and update Asset Register/insurers
			c) Damage/loss to assets		2 x 2	Clerk to manage damage to assets, claim insurance and update Asset Register/insurers
19	Security	Data Security				
			GDPR fines for breaches (see also Website below)	Financial and reputational damage to PC	2 x 2	Council and clerk to adhere to GDPR practices
			Website			
			Website is not secure and subject to hacking	Inappropriate content posted on website resulting in reputational and other damage to PC	1 x 2	Ensure property security is enabled on website
20	IT	Malfunctions of IT equipment	Probably not applicable unless PC owns IT equipment or is reliant on IT equipment	Loss of materials on PC	1 x 1	Clerk to ensure regular back ups are done.
21	Legal	Contracts				
			a) Breach of contract by provider	Inadequate service provided leading to negative consequential events/loss of income due to new provider required etc	2 x 2	Council and clerk to monitor service to service providers

			b) Breach of contract by PC	Potential reputational and financial damage.	1 x 1	Council and clerk to be aware of contractual obligations