

Financial Risk Assessment Form

Assessment No: 1 – October 2008

Brief outline of work/activity	Woodham Ferrers & Bicknacre Parish Council	Prepared by:	Karen Kuderovitch/June Saltmarsh
Location	Work Site: Parish Council Office c/o WFBVH, Main Road, Woodham Ferrers CM3 8RJ	Signed by Chairman at PC Meeting of 7 th Oct 2008	Barry Arnold

TOPIC	RISK	Probability	Impact	Severity Index	Control	Verification/Action
PETTY CASH	Theft from Clerk	2	1	2	Secure box & storage Not to exceed £200 (high impact) Checked regularly, minimal risk Routine check & audit	
	Theft – by Clerk	1	10	1		
	Running out of Funds	2	1	2		
	Incorrect Records	4	1	4		
BUDGET	Previously unidentified expenditure (in excess of £5K0)	3	6	18	Quarterly 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		
ACCOUNTS	Theft or loss of records – paper	3	7	21	Transfer & electronic back up daily and weekly	Ahead 4 Group Backup from 8 Oct 08
	Theft or loss of records – electronic	2	2	4		
	Theft or loss of cheques	2	4	8	Routine backups. At least one copy kept at different location/ISP	Fireproof safe to be agreed and purchased and installed
	Fraud	2	10	20		
	Unauthorised payments	2	2	4	Insurance. Secure storage Indemnity Insurance. Review bank statements No payment without invoice. Invoice cross checked and initialled	Review annually
	Collapse of financial institution	2	10	20	Use of reputable institutions to minimise risk	
	Unpaid debts	2	3	6		
	Failure to issue invoices	2	3	6	No significant amounts involved	
	Failure to pay bills	2	5	10	As above	
	Failure to manage accounts	2	9	18	Records Management	
	Incorrect records	2	5	10	Review trends to identify anomaly Monthly audit. Quarterly review.	

INSURANCE						
	Underinsured	3	10	30	review annually	
	Failure to pay premium	2	10	20	Review Capital Assets Register & Annual Reviews	
	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	Parish Tour Dates
	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 RoSPA report with accompanying action plan	To be investigated
					Insurance cover & off site back up of electronic records	
DELEGATED ISSUES	Indemnity against Village Hall failures	3	5	15	Councillor on Committee	
	Indemnity against Village Hall Committee resigning	3	5	15	Could involve some financial risk	
	Theft or fraud by Councillors	2	10	20	Audit & insurance indemnity	
	Title Deeds – Theft or Loss	4	8	32	Lodge originals with bank or in fireproof secure storage in PC office Keep copies. Maintain deeds and critical documents register	
					KEY: Severity index is achieved by x Probability & Impact Probability 1 least likely - 10 high Impact 1 minimum - 10 maximum	