

**St. Neot Parish Council
Financial Risk Assessment September 2020**

St. Neot Parish Council has a normal annual budget of approximately £30,000 - £45,000 of income of which about £30,000 comes from the precept and the remainder from rental and meter income, advertisements on the parish website, a local maintenance partnership grant and a turbine community benefit payment. The Clerk to the Council is the Responsible Financial Officer and five councillors form the Finance Committee.

This risk assessment sets out to minimise the risks associated with operating the Parish Council accounts by identifying risks and putting in place measures to minimise those risks.

Financial Risk Assessment
St. Neot Parish Council
Written By: Sue Blaxley, Clerk and the Responsible Finance Officer, September 2020
Review date: July 2021

Hazard	Consequence	A: Likelihood of it occurring 0-6 (1 = low)	B: Frequency 0.1 - 5.0 (1=low)	C: Consequences of hazard Score (0.1 - 15)	Risk rating AxBxC	Existing controls	Further action & review date if applicable
Loss of cash income from electricity meter	Loss of income to the council	1	.1	1	0.1	Two councillors to empty the meter.	Receipt and amount to be recorded in minutes
Receiving cash payments	Loss of income to the parish council	1	1	5	5	Paid to single councillor and passed to clerk with details. Receipt issued by clerk	Inspect receipt books
Loss of rent cheques	Loss of income to the council	1	1	1	1	Income to be paid by cheque where possible and receipt minuted.	
Writing of cheques	Unauthorised cheques cashed	1	2	2	4	Two signatures per cheque	Finance committee to check cheque numbers against account and invoice
Cheques paid into wrong account	Theft of parish funds	1	1	1	1	Encourage payments by BACS where possible	Accounts to reconciled every 6 months
Unauthorised invoices raised.	Wrong bills are paid	1	1	1	1	All orders for work agreed by full council.	Order for work to be recorded in Council minutes. Standing orders to be adopted must state level of delegated authorisation for payment

Asset register not updated	New assets not recognised in accounts	1	1	1	1	Asset register updated annually	Councillors to inspect register annually
Cash shortage for Parish Council	Parish Council has insufficient cash to pay its bills	2	1	10	20(medium)	Clerk prepares cash flow for Parish Council	Cheque cash flow monthly to ensure that there is sufficient cash to run parish council.

Most risks are low or medium and have been further limited by the adoption of financial regulations at the meeting of the Parish Council in September 2020.