

**Risk assessment and management (financial) for the period 1 April 2021 to 31 March 2022**  
**Carlton Colville Town Council**

The internal control audit of the below was carried out by Councillor Christine Fair on 26th October 2021 - her comments are noted in the boxes below

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)	Comments
Precept	Not submitted	L	Full TC Minute – RFO follow up	Diary	12months	May 2021 item 12 and October 21 item 8 amounts received stated
	Not paid by DC	L	Check & Report To Fin Comm.	Diary	12 months	N/A
	Adequacy of precept	H	Quarterly review of budget to actual	Diary	12 months	Monthly budgets are handed out at each Town Council meeting - Precept is adequate
	Cash Handling	L	Cash handling is avoided, but where necessary – appropriate controls are in place.	Annual review of documented controls	12 months	Zero cash handling
Other Income	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations	Member to verify reconciliations taking place	12 months	No Cash banking has taken place
	From Allotments	M	Check allotment register to invoices	Member to verify	12 months	Receipts issued annually for bank transfers received kept in allotments file
Grante	Claims procedure	M	Clerk/RFO check quarterly		12 months	CLL monies received kept up to date and a return submitted and recorded on website for 2020/2021

Utilities	Receipt of grant when due	M	Check & Report to Fin Comm.	Diary	12 months	East Suffolk Council automatically send money when due
	Receipt when due	L		Diary	12 months	Santander interest annually
	Investment Policy	L	Review policy annually +	Diary		N/A
	Surplus funds	L	Review policy annually +		24 months	Earmarked and reserves discussed at Finance and Budget meeting annually and Reserves policy now in place

#### Expenditure

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)	
Salaries	Wrong salary/hours/rate paid	M	Check to minute, check hours and rate to contract	Member verify	12 months	Clerks salary in line with National scale as discussed at Finance and Personnel meeting annually
	Wrong deductions – NI and Income tax	M	Check to PAYE Calculations	Member verify	12 months	Salary advice and P30 produced by SALC clerk sends payments to HMRC quarterly
	Goods not supplied to TC	M	Follow up on all orders	Approval check	12 months	N/A
Direct Costs and overhead expenses	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliation's on monthly basis	Member verify	12 months	All payments brought to full Town Council meeting and signed off by 2 members of the Council
	Cheque payable is excessive or to wrong party	M	Signatory initials etc Stub & Voucher	Member verify		No cheques issued all Bank Transfers which are dually signed and authorised.
Grants & support	Power to pay or no evidence of agreement of Council to pay	M	Minute council agreement to authorize the payment	Member verify	12 months	Section 137 monies kept on a separate line on the budget

	Conditions agreed	L	Agree and document any reasonable conditions	RFO check	12 months	Accounts to be checked from anybody who requests a donation
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify	Whenever	No election costs incurred
VAT	VAT analysis	M	All items in cash book lists	RFO verify	12 months	Clerk using SCRIBE for VAT returns
	Charged on sales	M	Consider annually	RFO verify	12 months	N/A
	Charged on purchases	L	Consider all items per cash book lists	RFO verify	12 months	Where applicable
	Claimed within time limits	M	Agree returns submitted	RFO verify	12 months	Clerk claiming each quarter
Reserves - General	Adequacy	L	Consider at Budget setting	RFO opinion 3 year plan	12 months	Discussed at Budget setting still adequate and trying to keep equivalent of 1 years precept
Reserves - Earmarked	Adequacy	L	Consider at Budget and Final accounts	RFO opinion	12 months	Ear marked discussed at Finance meeting Nov 2020
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO/member view	12 months	Discussed at Budget setting still adequate and trying to keep equivalent of 1 years precept
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset registers	Diary	24 months	Asset Register maintained as EXCEL and SCRIBE - updated with assets that had been disposed of and noted on minutes
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary	12 months	Insurance policy up to date with any new assets or liabilities added



Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate.	RFO/member view	12 months	No sickness by clerk, clerk manages hours which have a degree of flexibility
	Fraud by staff	L	Fidelity Guarantee value appropriately met	Council to review annually	12 months	Insurance in place for this
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	Diary	12 months	Insurance up to date
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Annual maintenance inspection	Diary	12 months	Councillors to check on assets such as bins, benches etc. Clerk monitors any incidents reported
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers	Diary	24 months	Powers of council issued to all new councillors and any proposed spending has a power noted
Financial Records	Inadequate records	L	RFO/clerk check quarterly + regular internal audit	Diary	12 months	Budget and Bank Reconciliations are presented at each Full Town Council meeting monthly and signed off
Minutes	Accurate and legal	L	Review at following meeting	Diary	12 months	Agenda item on each meeting
Members interests	Conflict of interest	M	Update declarations of interest	Diary	12 months	Recorded with East Suffolk Council

Audit Complete ..... *Cair*

Date ..... *26/10/21*