Betchworth Parish Council

FINANCIAL RISK ASSESSMENT AND MANAGEMENT FOR THE PERIOD OF 1 APRIL 2026 TO 31 MARCH 2027

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff Action	RAG Risk Level Post Mitigation Risk Mgt
Precept	Not submitted	L	Clerk ensures formal notification submitted in writing following Council meeting	Clerk to add to diary December/ January	
	Not paid by R&BBC	L	Confirm Receipt and notify Council	Clerk to add to Diary	
	Adequacy of precept	H	Budget planning and approval Monthly review of budget to actual	Clerk to add to Diary	
Other Income/ Bank and Banking	Cash Handling	L	Cash handling– appropriate controls are in place and adhered to as per the Financial regulations	Annual review of documented control by Council/ Clerk	
	Cash Banking	L	Regular payments into bank. Check to bank statements. Regular bank reconciliations. Electronic payments are now encouraged with reference to aid the reconciliation	Clerk to verify reconciliations taking place. Councillor to carry out bank reconciliation	
	Bank mistakes	L	Monthly bank reconciliation	Statements received monthly and verified by Clerk	
	Bank charges	L	Cash flow is monitored by Clerk and reconciled by an independent councillor	Monthly review by Clerk	
	The agreed amounts are transferred	L	Check payments that come from Parish Council each month as part of the reconciliation and are signed by 2 councillors	Clerk to verify reconciliations taking place. Councillor to carry out bank reconciliation	
Investment Income	Receipts when due	L	Clerk/RFO check as required	Clerk to add to Diary	
	Surplus funds	L	Review levels and investment policy annually	Clerk to add to Diary	
Salaries and Pension	Wrong salary/hours/rate paid	M	Payroll company manage	Clerk to Verify	
	Wrong deductions – NI and Income tax	M	Payroll company manage	Clerk to Verify	
	Unpaid tax and NI conts to Inland Revenue	M	Amount calculated by payroll and paid by Clerk monthly	Pay each month based on schedule	
	Annual return not submitted within time limits	L	Not applicable	Existing procedure adequate. RTI is automatic completion. Clerk to add to diary on monthly basis	
	Wrong deductions – monthly payment to	M	Payroll company manage		

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	NEST				
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	Approval Check by Clerk	
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis	Clerk to Verify. Councillor to carry out bank reconciliation	
Councillor Expenses	Cllr overpaid	L	Claim form check and approved by Clerk and two Councillors	Existing procedure adequate	
Best Value Accountability	Work awarded incorrectly	L	Financial regulations state limits that work must go to tender. If Clerk assesses quote to be high she can get second quote below agreed limits	Existing procedure adequate	
	Overspend on services	L	Work undertaken monitored by Clerk and agreed with Councillors on regular basis		
Grants & support	Claims procedure	M	Clerk/RFO check as required	Clerk to add to Diary	
	Receipt of grant when due	M	Clerk/RFO check as required and report to Council	Clerk to add to Diary	
	No power to pay or no evidence of agreement of Council to pay	M	Minute council agreement with the power used to authorise payment	Council to verify	
	Conditions agreed	L	Agree and document any reasonable conditions	Clerk Check	
Elections Costs	Invoice at agreed rate for non-Parish Council elections (use of hall)	M	RFO check and Council to include in budget, will also keep amount in earmarked reserves if not required	To include in earmarked reserves each budget	
	Pay at agreed rate for Parish Council elections’	L	There are no measures which can be adopted to minimise the risk of having a contested election as this is a democratic process and should not be stifled.	Clerk/ Council to verify Ring fenced funds	
VAT	VAT analysis	M	-All VAT is highlighted separately on spreadsheet and reclaimed	Clerk to monitor	
	Charged on purchases	L	Consider all items per spreadsheet	Clerk to verify	
	Claimed within time limits	M	Agree returns submitted -6 monthly	Clerk to verify	
Reserves – General	Adequacy	L	Consider at Budget setting and ensure maintained at minimum 30% of precept – deemed adequate by NALC	Budgeted tohold at 100%	
Reserves – Earmarked	Adequacy	L	Consider at Budget and review of final accounts	Clerk opinion/ Council to verify	

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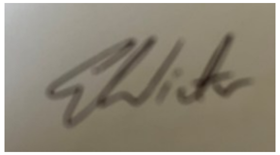
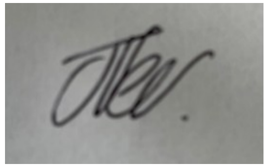
	Unidentified Earmarked or Contingent liability	L	Review Minutes	Clerk/ Council to verify	
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset register	Diary – carried out by Clerk and Council	
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Clerk to add to Diary	
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate	Chairman/ Council to verify	
	Fraud by staff	L	Fidelity Guarantee value appropriately set	Council to review annually	
Loss	Consequential loss due to critical or third party performance	L	Review adequacy of Insurance cover	Clerk to add to Diary	
Maintenance	Reduced value of assets or amenities – loss of income or performance	M	Annual maintenance inspection of fences, noticeboards, playground equipment, gym, hall	Clerk to add to Diary	
Legal Powers	Illegal activity or payment	H	All activity and payments within the powers of Council to be resolved and minuted at Council meeting. Educate Council to their powers	Clerk to add to Diary	
Financial Records	Inadequate records	L	The Council has Financial Regulations which set out all financial requirements Clerk check regularly Half yearly internal audit review and report	Clerk to add to Diary Set up interim internal audit	
Minutes	Accurate and Legal	L	Minutes and agenda are produced by Clerk and adhere to legal statutory requirements. Review and approval at following meeting All documents displayed to public Business conducted at Council meetings should be managed by the Chairman	Clerk to add to Diary and agenda	
Reporting and Auditing	Information/ Communication	L	Financial accounts are produced at monthly meetings and approved and recorded in minutes Lists of payments and accounts are shown on the minutes	Clerk to prepare and monthly review by Council Clerk to add to Diary	
	Compliance	L	Council has half annual internal audit checks to comply with fidelity guarantee	Half annual review by Internal Auditor Clerk to diarise	
Members Interests	Conflict of Interest	L	Declarations of interest to be	Clerk to add to Diary	

			documented/ minuted and any conflict addressed as appropriate Register of members interests should be reviewed regularly		
Freedom of Information Act	Policy provision	L	The Council has a model publication scheme in place. There have been no requests for information to date.		
Council records- paper/ electronic	Loss through fire/ damage/ theft	M	The Parish Council records are stored at the Council office They are in metal filing cabinets (not fire proof). Most recent files are also kept electronically - backed up daily	Monthly review by Clerk	



Reviewed and adopted on- 11th May 2026

The Chairman



The Clerk
