The risk management procedures, as documented below, were confirmed to be in practice by the Internal Audit report dated 10.4.2025

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action
Precept	Not submitted	L	Full Minute – RFO follow up	Diary
	Not paid by DC	L	RFO Confirm receipt	Diary
	Adequacy of precept	H	PC Quarterly review of budget to actual	Diary
Other income	Cash handling	L	Cash handling is avoided, but where necessary – appropriate controls are in place	PC Annual review of documented controls
	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations	Member to verify reconciliations taking place
	From Community centre	L	RFO to issue invoice and check receipt of income	Member to verify
Grants	Claims procedure	M	Clerk/RFO check as required	Diary
	Receipt of grant when due	M	Clerk/RFO check as required	Diary
Investment Income	Receipt when due	L	Clerk/RFO check as required	Diary
	Surplus funds	L	Review levels and investment policy annually +	Diary

Topic	**Risk Identified**	**Risk Level H/M/L**	**Management of Risk**	**Staff action**
Salaries	Wrong salary/hours/rate paid	M	Check salary to minute, check hours and rate to contract	Member to verify
	Wrong deductions – NI and Income tax	M	Performed by SALC	Member to verify
Direct Costs and overhead expenses	Goods not supplied to Council	M	Follow up on all orders	Clerk check
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliations on monthly basis (no less than 10 per year).	RFO to verify
	Cheque payable is excessive or to wrong party	M	Signatory initials Stub & Voucher	RFO check
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify
VAT	VAT reclaim not submitted	L	Accounting spreadsheet to show claim schedule reference number	RFO to process claim and Member to verify receipt via accounting spreadsheet /reconciliation to bank statement
	VAT incorrectly accounted for	L	Check accounting spreadsheets	RFO to process claims

Stanstead Parish Council Version 2
Risk assessment and management (financial) for the period April 2025 to April 2026

Topic	Risk Identified	H/M/L	Management of Risk	Staff action
Reserves - General	Adequacy	L	Consider at Budget setting	PC opinion.
Reserves – Earmarked	Adequacy	L	Consider at Budget and review of final accounts	PC opinion
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO/member view
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset registers	Diary
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary
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
	Fraud by staff	L	Cash and bank limits appropriately set	Council to review annually
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of Insurance cover	Diary
Maintenance	Reduced value of assets or amenities -loss of income or performance	M	Annual maintenance inspection	Diary
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers	Seek advice from SALC
Financial Records	Inadequate records	L	RFO/clerk check regularly + internal audit review	Diary
Minutes	Accurate and legal	L	Review at following meeting	Diary
Members interests	Conflict of interest	M	Declarations of interest to be documented/ minuted and any conflict addressed as appropriate	Diary

Reviewed and adopted on: 19th May 2025 - Minute ref: 10.05.25c

Note: Risk assessment must be reviewed and adopted by council/meeting/board/body annually during the financial year.