

Income

Topic	Risk Identified	Risk Level H/M/ L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Precept	Not submitted	L	Full Town Council minute – Claim by RFO to PDC.	Diary.	12 months
	Not paid by DC	L	Check by RFO and report to PR&F committee.	Diary.	12 months
	Adequacy of precept	H	Review of budget to actual by PR&F committee.	Agenda item at each PR&F committee with report.	12 months
Charges – Car Park	Cash collection	H	Contracted out. Receipt of twice-weekly returns.	RFO check against machine data.	12 months
	Cash banking	H	Contracted out. Receipt of email advice.	RFO bank statement reconciliation.	12 months
Charges - Leisure	Town Hall bookings	M	Invoices issued for regular/corporate bookings. Receipted payments for 'one off' bookings. Review annually by PR&F re increase suggest RPI	FO monthly check that booking fees received or invoices issued. Diary note Agenda Item re PR&F committee.	12 months
	Recreation Ground bookings	L	Invoices issued for regular bookings. Review annually by PR&F, suggest RPI	FO monthly check that booking fees received or invoices issued. Diary note Agenda Item re PR&F committee.	12 months
Museum	Banking Donations and Sales	M	Regular clearance from Museum of money paid for items sold or donations received.	OM liaise with Museum Curator.	12 months
Rent from tenants	Rent Reviews/Lease renewals when due.	M	TC annual review of tenancy agreements.	Diary note to negotiate renewal of Lease/Rent. Agenda item re PR&F committee.	24 months

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Income cont'd.

Topic	Risk Identified	Risk Level H/M/ L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Rent from tenants cont'd	Quarterly, Semi-Annual and Annual rent received.	H	FO issue invoices where appropriate. RFO monitor bank statements where rent paid by standing order.	Diary note. EDGE income entry together with bank reconciliation.	12 months
Financial return on balances	Return on bank balances	L	Use of fixed deposits to obtain interest income on available money.	RFO obtain renewal rates for PR&F committee. RFO to recommend when excess funds available for investment.	24 months
			Monitor balances on Council's accounts and transfer as necessary in order to achieve best income available.	Use Building Society account or other re instructions from PR & F committee, account to full capacity (£100k)	24 months
Grant Funding/ PWB Loans	Source external funds to finance projects	L	Use of lottery/landfill communities fund type monies Use of Public Works Loan Board monies	TC to investigate sources of external funds.	24 months

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Expenditure

Topic	Risk Identified	Risk Level H/M/ L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Salaries	Wrong Salary Paid	M	RFO instructs FO with relevant SCP levels following annual reviews in March each year or as appropriate.	Checks by RFO on monthly payroll	12 Months
	Wrong hours paid	M	Check to timesheet/contract	Checks by RFO on monthly payroll	12 Months
	Wrong Rate Pay	M	Check to contract/annual review levels	Checks by RFO on monthly payroll	12 Months
	Payment to authorities of N.I. and Income Tax collected	H	Monthly payroll reports detail sums collected/due	Cheque raised or payment made by BAC's by due date	12 Months
Honoraria and Allowances	Wrong Amount paid Invoice not received	L	Honoraria amounts agreed as part of annual budget. Payment made against invoice received	FO raise cheque based upon invoice and budgeted figure and checked by RFO	12 Months
	Wrong amount paid	L	Mayoral and Deputy Mayoral Allowances agreed as part of annual budget. Mileage allowance paid against completion of claim form.	FO raises cheques for Mayoral allowances based upon budgeted figure. RFO signs off claim form prior to payment by FO.	12 Months

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Expenditure cont'd

Topic	Risk Identified	Risk Level H/M/ L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Direct Costs and Overhead Expenses	Goods not supplied	M	Delivery note and/or received stamp on invoice to show that goods received RFO initials on invoice	FO makes payment once authorised by RFO	12 Months
	Invoice incorrectly calculated	L	Arithmetic check	FO to check invoice calculations	12 Months
	Cheque payable is excessive	M	Signatory initials etc on cheque stub	Members check	12 Months
	Cheque payable to wrong party	M	Signatory initials etc on cheque stub	Members check	12 Months
Donations (incl. S137)	Power to pay	L	Donations form completed together with accounts	RFO brings forms to Council meeting	12 Months
	Agreement of Council to pay	M	Amounts agreed minuted at meetings	RFO check	12 months
	Cheque payable is excessive	M	Signatory initials etc on cheque stub	Members check	12 Months
	Cheque payable to wrong party	M	Signatory initials etc on cheque stub	Members check	12 Months
Election Costs	Not included in Budget	L	Suitable amount accrued in Earmarked Reserves each year when considering budgets	RFO/FO/ Members check	24 Months
	Amount Invoiced	L	Comparison to earlier occasions. Analyse breakdown of costs.	RFO/FO	48 Months
VAT	VAT analysis	M	All items from cashbook in correct rating. IA checks	FO/RFO checks	12 Months
	Charged on Sales	M	Is income subject to VAT. IA checks	FO/RFO checks	12 Months
	Charged on Purchases	M	Is VAT recoverable/correct rate. IA checks	FO/RFO checks	12 Months

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VAT cont'd	Claimed within time limits	M	Returns submitted on time	FO prepares/ RFO check	12 Months
Reserves	GENERAL – Adequacy	L	Consider at Budget setting	RFO/Members opinion	12 Months
	EARMARKED – Adequacy	L	Consider at Budget setting	RFO/Members opinion	12 Months
Assets/ Insurance	Loss, Damage, Additional items etc	M	Assess damage, consider insurance claim. Update insurance and asset register. IA checks.	FO/RFO manage checks	12 Months
	Risk or Damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	RFO annual check at time of insurance renewal	12 Months
Staff	Loss of key personnel	L	Hours, health, stress, training Long term sickness, early departure, pay	Personnel Committee	24 Months
	Fraud by staff	L	Fidelity Guarantee value, Insurance company conditions met.	RFO/Members checks	24 Months
Maintenance	Poor performance of assets or amenities, loss of income or performance	L	Annual budget setting meeting, regular review of budget performance at PR&F committee meetings	Members check RFO inclusion of agenda item	12 Months
Financial Records	Inadequate records	L	RFO/Members checks. IA checks, ensure EDGE systems are up to date.	RFO/Members analysis of reports presented to committee EDGE automatically upgraded re contract.	12 Months
Legal Powers	Illegal activity or payment	H	Educate Council members as to their legal powers. IA checks	TC/RFO checks	12 Months
Minutes	Accurate and legal	L	Review at following meeting. IA checks	TC/RFO/Members checks	12 Months

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Members Interests	Conflict of interest	M	Update declarations of interest	TC/RFO/Members checks	12 Months
Cash	Loss through theft or dishonesty	L	Insurance cover review, ensure adequacy of Fidelity guarantee insurance.	RFO checks	12 Months
Utilities	Energy (Gas & Electricity) Contracts at competitive rates and for appropriate periods	M	Quotations obtained when energy contracts expiring. PR&F committee consider quotations.	FO contacts suppliers to get quotations. RFO gets advice from independent advisory service.	12 Months
	Telephone and broadband services	L	Service sufficient for Council's requirement Liaise with IT provider re broadband/web services	RFO reviews telephone bills. RFO liaises with IT provider re broadband/web services	12 Months
Business Credit Card	Inappropriate use by staff	L	All payments to be signed off by RFO before purchase in purchase book or by Finance Officer if purchase made by RFO. Payments made to be shown to PR&F committee or chairman, from statement, before Direct debit for full payment is made on a monthly basis.	FO to administer procedure in conjunction with RFO.	12 Months

Reviewed and Adopted on:

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