

# PLUMSTEAD PARISH COUNCIL

## Financial Risk Assessment

### Purpose

To ensure Plumstead Parish Council manages public money safely, legally, and transparently by identifying key financial risks and the controls in place to reduce them.

### Key Risks & Controls

Risk	Control Measures
Incorrect Precept Setting	Annual budget prepared by Clerk/RFO, reviewed & approved by full Council before submission to NNDC.
Errors in Financial Records	Accurate spreadsheet maintained; monthly bank reconciliation checked by councillors.
Bank Fraud or Error	Dual signatories on all payments; transactions reported at meetings.
Unauthorised Spending	All payments approved at Council meetings and minuted; Clerk checks legal powers.
Incorrect Payroll/PAYE	HMRC-compliant processing; figures checked before payment.
Inadequate Insurance	Annual review of policy against asset register.
Loss/Damage to Assets	Asset register maintained; insurance in place.
Poor Value Procurement	At least three quotes obtained for significant purchases.
Insufficient Reserves	Maintain general reserves of approx. 3–6 months' operating costs.
Loss of Clerk/RFO	Financial procedures documented; councillors can cover temporarily and/or source locum arrangements via NPTS
Loss of Records	Important documents backed up securely on cloud/encrypted drive.
Audit Issues	Comply fully with internal & external audit requirements; act promptly on recommendations.

**Summary**

Plumstead Parish Council operates with a small budget but has robust procedures in place, including:

- Monthly bank reconciliation & reporting.
- Dual authorisation of all payments.
- Annual review of insurance & asset register.
- Maintenance of adequate reserves.

Adopted at Parish Council Meeting: December 2025

Reviewed at Parish meeting: August 2027