

| Financial Risk Assessment for: 7. Payroll and Allowances |  |                 |        | Responsible Officer: RFO / Full Council Committee |  |
|--|--|-----------------|--------|---|--|
| Ref No.  | Hazard   | Risk Assessment |        |   | Risk Control Measures  |
|  |  | Likelihood      | Impact | Rating  |  |
| 1  | Loss of payroll data on PC due to system failure | 2               | 4      | 8   | Data backed up on a daily and weekly basis. Weekly back up tape kept off site.<br>Hard copy of employee financial records stored securely.<br>Third Party payroll provider contracted.<br>Payroll provider able to retrieve previous data from records.  |
| 2  | Over or under payment of salary                  | 2               | 2      | 4   | Timesheets checked before submitting monthly schedule to payroll provider.<br>Payroll checked before authorising payment.<br>Final payroll data checked by the relevant Officer and cross checked by accountant.<br>Trust in the honesty and integrity of staff.<br>Under payments paid as soon as possible including the 'bonus run' if required.<br>All salaries paid directly into staff bank account by BACS.<br>Upper limit set on BACS payments to payroll provider. |
| 3  | Wrong PAYE and pension contributions             | 2               | 3      | 6   | Payroll data checked by the accountant.<br>Council notified of any discrepancies by relevant organisation and amendments made.   |
| 4  | Misappropriation or theft                        | 1               | 3      | 3   | All expenditure cross checked with budget estimates and reconciled with bank statements.   |
| 5  | Wrong pay level according to grade of employee   | 1               | 2      | 2   | Annual salary and grade for each employee agreed by Personnel Committee.   |
| 6  | Member over or under paid allowance              | 1               | 1      | 1   | Payment schedule produced.<br>Payment due cross checked by the relevant Officer before submitting to payroll provider.<br>Payment report checked by the relevant Officer.  |
| <b>Reviewed by:</b>                                      |  |                 |        | <b>Date:</b>                                      |  |
| <b>Town Clerk Approval:</b>                              |  |                 |        | <b>Date:</b>                                      |  |