

| 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 is done off site. Hard copy of employee financial records stored securely. Third Party payroll provider for reports and HMRC contributions. RFO can retrieve data from payroll software in addition to stored pc files, hard copy records also stored in RFO's Office. Access by RFO into electronic monthly payroll is password protected to ensure employee details cannot be hacked and these meet Data Protection Act 2018. |
| 2 | Over or under payment of salary | 2 | 2 | 4 | Timesheets (where applicable) signed & checked by RFO before entering data into payroll software. Payroll software data & final reports checked by RFO before authorising bacs payment. Payroll is cross checked by Town Clerk, 1 Councillor & 1 Accountant . Trust in the honesty and integrity of staff. Under payments paid as soon as possible including the 'bonus run' if required. All salaries paid directly into staff bank account by BACS. RFO cross checks bank monies and ensures sufficient funds available for transfer three days in advance of bacs due date. Town Clerk and 1 Councillor to check monthly payroll prior to filing. |
| 3 | Wrong PAYE and pension contributions | 2 | 3 | 6 | Payroll data checked by RFO, TC, 1 Councillor and by the accountant . Council notified of any discrepancies by payroll provider (where applicable) 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 and processed by RFO. Town Clerk & 1 Councillor check monthly payroll report |
| 6 | Member over or under paid allowance | 1 | 1 | 1 | Payment schedule produced. Payment due cross checked by the RFO and data entered on payroll software for processing via bacs. Payment report checked by the RFO. Town Clerk & 1 Councillor check remittance report. |
| Reviewed by: Karen Slater | | | | Date: | |
| Town Clerk Approval: | | | | Date: | |