



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	<p>Data backed up on a daily and weekly basis. Weekly back up is done off site.</p> <p>Hard copy of employee financial records stored securely.</p> <p>Third Party payroll provider for reports and HMRC contributions.</p> <p>RFO & Finance Administration Officer can retrieve data from payroll software in addition to stored pc files, hard copy records also stored in RFO's Office.</p> <p>Access by RFO & Finance Administration Officer into electronic monthly payroll is password protected to ensure employee details cannot be hacked and these meet Data Protection Act 2018.</p>
2	Over or under payment of salary	2	2	4	<p>Timesheets (where applicable) signed & checked by Finance Administration Officer/RFO before entering data into payroll software.</p> <p>Payroll software data & final reports checked by Finance Administration Officer / RFO before authorising bacs payment.</p> <p>Payroll is cross checked by Town Clerk, 1 Councillor & Accountant.</p> <p>Trust in the honesty and integrity of staff.</p> <p>Under payments paid as soon as possible including the 'bonus run' if required.</p> <p>All salaries paid directly into staff bank account by BACS.</p> <p>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.</p>
3	Wrong PAYE and pension contributions	2	3	6	<p>Payroll data checked by RFO, TC, 1 Councillor and by the accountant.</p> <p>Council notified of any discrepancies by payroll provider (where applicable) and amendments made.</p>
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
6	Member over or under paid allowance	1	1	1	<p>Payment schedule produced.</p> <p>Payment due cross checked by the RFO or Finance Administration Officer and data entered on payroll software for processing via bacs.</p> <p>Payment report checked by the RFO or Finance Administration Officer and internal auditor</p>
Reviewed by: Karen Slater 				Date: 5.3.24	
Town Clerk Approval: 				Date: 5.3.24	