

Risk Assessment

Updated February 7, 2024 – amendments in blue text

Finance

Financial Loss/ Fraudulent Activity

Risk level: High

Those at risk: Community Council/Residents

Current Controls:

- Quarterly Councillor audit to check invoices against appropriate bank statements.
- Two Councillors to sign each cheque. ~~Two Councillors to approve bank payments online (by 2022).~~
- Dual authorisation required for online payments with online banking accessed by Authentication Card with PINsentry. No debit card.
- Online and physical retail purchased made by credit card with monthly limit of £1,000 and card holder misuse insurance.
- Invoices to be checked before approving bank payments or signing cheques and cheque stubs and invoices to be initialled.
- Council to ratify and authorise payments at ordinary meetings in line with the financial regulations.
- All financial obligations to be resolved and documented in the minutes before any commitment unless emergency spend by the Clerk in conjunction with the Chairman as set out in Financial Regulations.
- Direct debits / Standing Orders to follow the policy set out in the financial regulations.
- Internal Audit to check VAT entries on invoices against VAT to be claimed from Custom & Excise and amount recorded in the cashbook.
- Monthly bank reconciliations should be undertaken as soon as practicable following receipt of bank statements in order to maintain effective control.
- Back-up of all financial information held.

- All cash/cheques to be banked as soon as possible.

Financial Prudence and Probity – Potential damage to Council reputation

Risk level: High

Those at risk: Community Council/ Employees/ Residents

Current Controls:

- Monthly budget monitoring statements reporting year to date spend.
- Annual scrutiny of financial records by the appointed internal auditor.
- Proper arrangements for the approval of expenditure.
- Comply with VAT regulations. VAT payments and claims calculated by Clerk of accountant and internal and external auditor to provide double check.
- Internal Audit Assurance.
- These controls are supported in more detail in the Financial Regulations of the Community Council.

Note, following difficulties in 2020 and 2021, a manual will be produced in the future to ensure procedures are easy to implement in the case of the loss of an employee.

Adequacy of Precept

Risk level: Med

Those at risk: Community Council/Residents

Current Controls:

- Ensure adequacy of annual precept through sound budgetary process.
- Quarterly budget updates reporting year to date spend with detailed budgets agreed by the full council annually.
- Precept derived from budgeting process beginning in November, and to be considered and agreed in January each year.



Reserves

Risk level: Med

Those at risk: Community Council/Residents

Current Controls:

- Ensure that an adequate level of reserves is maintained through the budget setting process.

Financial Regulations

Risk level: Med

Those at risk: Community Council/Residents

Current Controls:

- Annually Review of the adequacy of the Financial Regulations.

Assets

Protection of the Council's physical assets

Risk level: Low

Those at risk: Community Council/Residents

Current Controls:

- Regular check of property in the public realm.
- Office equipment insured.
- Ensure adequate insurance cover

Business Continuity

Council/Clerk not being able to carry on business

Risk level: High

Those at risk: Community Council/Residents

Current Controls:

- Casual vacancies filled as soon as possible.
- Multiple signatories on the council's bank account mandate and Authentication Card's held by multiple members.



- Credit cards with two people to maintain ability to make purchases
- Members trained to cover Clerk absence, and ability to employ locum
- Email account verification/recovery sent to a second person in case of need to recover account.

Recommended improvement:

- Procedures Manual

Liability

Risks to third parties from Council assets

Risk level: Low

Those at risk: Community Council/Residents

Current Controls:

- Public liability insurance in place.
- Action taken on ad hoc basis to repair/ replace assets as required.
- Open spaces checked regularly and maintained by contractor.
- Risk assessments of individual events / activities carried out as necessary including Christmas lights and any volunteering work.

Legal liability as a consequence of asset ownership

Risk level: Low

Those at risk: Community Council/Residents

Current Controls:

- Public liability insurance

Use of Volunteers

Risk level: Med

Those at risk: Community Council/Members of the council

Current Controls:

- Public liability provided by Community Council to cover activities by volunteers



- Any work undertaken by volunteers must be adequately risk assessed.
- Appropriate PPE will be arranged as appropriate.

Employer Liability

Employer liability/ Compliance with employment law

Risk level: Med

Those at risk: Community Council/Residents

Current Controls:

- All staff to have employment contracts to comply with current legislation.
- Insurance in place.
- Membership of One Voice Wales.
- Clerk is member of SLCC.

Safety of Staff

Risk level: Med

Those at risk: Staff

Current Controls:

- Clerk works from home and has a designated office space.
- All staff to have annual appraisals (May).

Legal Liability

Legality of the Council's actions

Risk level: Low

Those at risk: Community Council/Residents

Current Controls:

- Clerk clarified legal position on any new proposal. Legal advice to be sought where necessary.
- Membership of One Voice Wales/SLCC
- Professional advice when required.
- Appropriate training for Clerk/members.



Proper document control

Risk level: Med

Those at risk: Community Council

Current Controls:

- Leases and legal documents in the Clerk's possession and held in a secure cabinet.
- Reduce the need to keep paper records by registering ownership of land and buildings with Land Register.
- Other data storage to comply with the Data Protection Act and General Data Protection Regulations.
- A Data Protection Officer will be appointed.
- A Data Retention and Disposal Policy has been adopted

Proper and timely reporting via the minutes

Risk level: Low

Those at risk: Community Council

Current Controls:

- Council meets on a monthly basis and approves minutes of the previous meeting.
- Minutes are published in draft form and made available on the Community Council website within a week of the meeting – a Decision Notice will be posted if this isn't possible.

Other

Contracts – compliance with law/ensuring value for money

Risk level: Med

Those at risk: Contractors, Community Council, Residents

Current Controls:

- Standing Orders and Financial Regulations in place and reviewed annually at the Annual Meeting of the Community Council.



Use of contractor's various injuries, etc.

Risk level: Med

Those at risk: Community Council/Residents & Contractors

Current Controls:

- Contractor to have public liability insurance cover of £5 million.
- Work of all contractors is monitored by a nominated councillor.

Use of contractors – Incomplete / unsatisfactory workmanship

Risk level: Med

Those at risk: Community Council

Current Controls:

- Work of all contractors is monitored by a nominated councillor

Propriety of Community Councillors

Risk level: Med

Those at risk: Community Council Reputation

Current Controls:

- A councillor shall withdraw from a meeting when it is considering a matter in which they have a disclosable pecuniary interest.
- If a member has a non-pecuniary interest they shall declare such interest as soon as it becomes apparent, the member may speak on the matter and not vote.
- Remind Councillors at each meeting of the need to consider each agenda item and decide whether to declare an interest.
- Remind Councillors that they need to review their Register of Interests at least annually – add to the agenda of the Annual Meeting.



Insurance

Policy renewal

Council Members will check that the Clerk brings the main insurance quotation for approval at the Annual Meeting. Insurance policy renewal should be added to a Procedures Manual.

Insurance – Adequate for Council Risks including assets

Risk level: Med

Those at risk: Community Council/Residents

Current Controls:

- Review of the Council's insurance requirements at the Annual Meeting to ensure it is at an appropriate level for all liabilities/assets.
- Asset register to be kept up to date and revised after any asset is purchased or disposed of. Insurance to be updated as necessary.

