

CYNGOR CYMUNED LLANDYFAELOG COMMUNITY COUNCIL

Risk Assessment and Management (Financial)

Topic	Risk Identified	H/M/L	Management of Risk	Staff action	IA freq.
Income					Months
Precept	Not submitted	L	Full CC Minute – Clerk to follow up	Diary	12
	Not paid by County Council	L	Check & Report to Council	Diary	12
	Adequacy of precept	L	Quarterly review of budget to actual	Diary	12
Charges	Cash emptying	M	To be closely monitored		Whenever
	Cash transport	M	To be closely monitored		Whenever
	Cash banking	M	To be closely monitored		Whenever
Charges-Cemetery	Grave allocation	L	Not a burial Authority		N/A
	Invoices to undertakers	L	Not a burial Authority		N/A
	Memorial fees	L	Not a burial Authority		N/A
Charges-Allotments	Rental invoices	L	No rentals		N/A
	Claims procedure including VAT	M	Clerk check quarterly	Diary	12
	Receipt of grant when due	M	Check & Report to Council	Diary	12
Investments	Investment Policy	L	Review policy annually	Diary	12
	Surplus funds / Reserves	L	Review how much funds will be needed to meet Council objectives / Review what could go wrong	Review during Precept setting	12
	Security of reserves	L	Review policy annually	Diary	12
Sales	Cash sales – Till	M	To be closely monitored		Whenever
	Claims procedure	M	To be closely monitored		Whenever
Grants	Non receipt	M	Ensure project completed to timescale – to be closely monitored	Diary	Monthly

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Expenditure					Months
Salaries	Wrong salary paid	M	Check to minute	Member verify	12
	Wrong hours paid	M	Check to timesheet/contract	Member verify	12
	Wrong rate pay	M	Check to contract	Member verify	12
	False employee	L	Check to PAYE Records & lists	Member verify	12
	Wrong deductions – NI	M	Clerk to use official HMRC software	Member verify	3
	Wrong deductions – Income tax	M	Clerk to use official HMRC software	Member verify	3
	Self Employed status challenged	L	Agree with Inland Revenue self-employed status	Obtain letter from inland revenue and keep on file	12
Financial Assistance	Legal Power to contribute	M	Compliance with section 137 and other legislation	Clerk verify	3
	Compliance with Council Policy	L	Educate/Remind members of Policy	Member verify	12
	Overspend	M	Clerk to monitor monthly	Clerk verify	3
Direct Costs and Overhead Expenses	Goods not supplied to CC	M	Order system	Approval check	12
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12
	Cheque payable is excessive	M	Signatory initials etc Stub & Voucher	Member verify	12
	Cheque payable to wrong party	M	Signatory initials etc Stub & Voucher	Member verify	12
	Stock loss	M	Point of sale info and control	Reconcile to Stock	12
	Cllr Allowances	Cllr Allowance	L	Agreed annually	Member verify
	Cllr overpaid	L	Claim form & minute	Clerk verify	12
	Wrong deductions – Income tax	M	Clerk to use official HMRC software	Member verify	3
Grants and Support	Power to pay	M	Minute power	Member verify	12
	Agreement of Council to pay	L	Minute	Member verify	12
	Conditions agreed	L	Use reasonable condition	Clerk verify	12
	Follow up verification	M	Clerk check and consider budget	Clerk verify	12
	Power to provide equipment	M	Clerk check and consider budget	Clerk verify	Whenever
Election Costs	Invoice at agreed rate	L	Clerk check and consider budget	Clerk verify	Whenever
VAT	VAT analysis	M	All items in cash book lists	Clerk verify	12
	Charged on sales	M	To be closely monitored	Clerk verify	Whenever

	Charged on purchases	L	Consider all items per cash book lists	Clerk verify	12
	Claimed within time limits	M	Agree returns submitted	Clerk verify	12
	Power to claim re-imburement	M	Clerk to ensure	Clerk verify	Whenever
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					Months
Reserves – Earmarked	Adequacy of budget	L	Consider at Budget setting	Clerk opinion	12
	Earmarked or Contingent liability	L	Review minutes with Chair	Clerk/member view	12
Reserves – General	Adequacy	L	Consider at Budget and Final Accounts	Clerk opinion	12
Assets	Loss, Damage etc	M	6 Monthly inspection, update insurance and asset registers	Clerk verify	12
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary	12
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training mangt.	Council	24
			Long term sickness, early departure		
	Fraud by staff	L	Fidelity Guarantee value	Council	12
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	Diary	12
Cash	Loss through theft or dishonesty	M	Insurance cover review ensure adequacy of Fidelity guarantee insurance	Diary	12
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Six monthly maintenance inspection, Requirements regarding maintenance reviewed six monthly	Diary	12
Borrowing/lending	Adequacy of finances to be able to repay loans	L	Financial review and cash flow forecasting quarterly	Diary	12
Legal Powers	Illegal activity or payment	M	Educate Council as to their legal powers	Diary	24
Best value	Overspend on services	M	Ensure correct tendering for services	Ongoing	12

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Financial Records	Inadequate records	L	Clerk and Chairman check quarterly + regular internal audit	Diary	12
Minutes	Accurate and legal	L	Review at following meeting	Diary	12
Members interests	Conflict of interest	M	Update declarations of interest	Diary	12
Internal Audit	Scope of Audit	M	To be discussed with the Auditor	Council and Clerk	12
	Independence	M	Ensure Auditor is Sufficiently independent, unbiased and objective	Council and Clerk	
	Competence	M	Ensure auditor has sufficient knowledge of local government finance to carry out Audit	Council and Clerk	
	Relationships	M	Ensure relevant responsibilities of members / Clerk / RFO and internal auditor are defined	Council and Clerk	
	Planning and Reporting	M	Ensure Council is aware of timetable on when internal audit will take place and be reported	Clerk	
	Non Countersigning of bank reconciliations	M	Member to sign during quarterly finance report meeting	Council and Clerk	3
Consultations	Meeting of deadlines for response	M	Monitor at Council meetings, Clerk to provide members with information between meetings where necessary.	Council and Clerk	Monthly
Document Security	Appropriateness of existing facilities	M	Retained at Clerk's home	Clerk	3
General Data Protection Regulation	Ensure Council Compliance	M	Clerk to consider impact and provide detail to Council	Clerk	3
Health and Safety Risk Assessment	Failure to identify	L	Annual report on play area by professional contractor. Clerk and Handyperson to visit amenities twice a year	Clerk	6
Disability Discrimination Issues	Failure to identify and implement adaptations	M	Annual report on play area by professional contractor. Clerk and Handyperson to visit amenities twice a year	Clerk	6
Welsh Language Policy	Preparation of and	L	Annual Review and report to Welsh	Council and Clerk	12

	Implementation of Policy		Language Commissioner		
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Arfon Davies 24/3/18