

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
Community Receipts for specific purposes	Correctly recorded	M	To be closely monitored		Whenever
	Correctly banked	M	To be closely monitored		Whenever
	Used as anticipated	M	To be closely monitored		Whenever

CYNGOR CYMUNED LLANDYFAELOG COMMUNITY COUNCIL

Risk Assessment and Management (Financial)

Topic	Risk Identified	H/M/L	Management of Risk	Staff action	IA freq.
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
CYNGOR CYMUNED LLANDYFAELOG COMMUNITY COUNCIL					
Risk Assessment and Management (Financial)					
Topic	Risk Identified	H/M/L	Management of Risk	Staff action	IA freq.
					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

CYNGOR CYMUNED LLANDYFAELOG COMMUNITY COUNCIL

Risk Assessment and Management (Financial)					
Topic	Risk Identified	H/M/L	Management of Risk	Staff action	IA freq.
					Months
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 Ensure Auditor is Sufficiently independent, unbiased and objective Ensure auditor has sufficient knowledge of local government finance to carry out Audit Ensure relevant responsibilities of members / Clerk / RFO and internal auditor are defined Ensure Council is aware of timetable on when internal audit will take place and be reported Member to sign during quarterly finance report meeting	Council and Clerk	12
	Independence	M		Council and Clerk	
	Competence	M		Council and Clerk	
	Relationships	M		Council and Clerk	
	Planning and Reporting	M		Clerk	
	Non Countersigning of bank reconciliations	M		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 Implementation of Policy	L	Annual Review and report to Welsh Language Commissioner	Council and Clerk	12

Arfon Davies 14/3/19