



PONTYPOOL COMMUNITY COUNCIL

RISK ASSESSMENT SCHEDULE

TO 31.03.2024

Assessment Criteria

Rating: Potential Consequence Score: 1-5
 Likelihood of Happening Score: 1-5
 Severity Level Score – Potential Consequence x Likelihood

Classification: 1-5 Low (Green)
 6-10 Medium (Amber)
 11-15 High (Red)
 16-25 **Very High (Red – bold)**

Topic	Risk Identified	Potential Consequence	Likelihood	Severity Score	Classification	Measures to be taken to Reduce/Minimise/ Control Risk
Income Precept	Not Submitted to TCBC - Borough Council	5	1	5	Low	Full Budget process in place Clerk/RFO & Finance Manager to prepare budget in conjunction with Chair of FGP and members annually between September to November, with member workshops from September to agree priorities. Finance GP Committee to review budget in October for current year and budget for forthcoming year annually in October/November. Full Council to determine precept annually in December/January

						Clerk/RFO to notify TCBC after January Full Council meeting.
	Not paid by Borough Council	5	1	5	Low	Clerk/RFO to monitor and report to Council Paid directly to bank account BACS Maintain 4-6 months expenditure in general reserves.
	Insufficient funding and allocating of resources of Precept	5	1	5	Low	The preparation of an annual budget together with the regular monitoring of the budget by the Finance GP Committee with reports to Council if required.
Charges – Chamber Hire Bookings	Security of cash collection	4	2	8	Medium	Segregation of duties, monitoring of credit card statements, record income daily with quarterly internal checks. Reconcile daily income sheet to cash taken. Two staff to sign all daily income sheets is correct, one of which must be the Finance Manager.
	Security of Cash during transport	3	1	3	Low	Reconciled to daily income. If cash is over £100 being transported two staff to attend the transportation of cash.
	Security of Cash during banking	3	1	3	Low	Reconciled to monthly bank statements.
	Hiring Charges/Collection Risk that Invoices raised	5	2	10	Low	Responsible staff to ensure that booking forms for Chamber bookings and hire of equipment are fully completed and signed for all casual hirers and regular hirers. Staff to ensure that booking forms correspond with booking system Invoices to be reconciled with hiring fees agreed. Finance Manager/Financial Support Officer to issue invoices.

	Hiring Charges – Review	3	2	6	Medium	Annual Review of charge by Council during budget setting
Ticket Sales for Events	Reconciliation of income against sales made	4	2	8	Medium	Segregation of duties, reconcile cash receipts daily, record income daily with quarterly internal audit checks. Reconcile daily income sheet to cash taken. Two staff to sign daily income sheets to confirm income is correct, one of which must be the Finance Manager.
Loss of Money	Business Interruption – inability to conduct daily business due to loss of money	5	2	10	Medium	Insured for £250,000
Loss of Money	In Transit	5	3	15	High	Insured for £5000
	In locked receptacles other than safe or strong room	5	3	15	High	Insured for £250
	Business interruption due to pandemic	5	3	15	High	Review approved budget by Council, cutting back on all non essential spend. Monitor income and expenditure on a monthly basis by Finance GP Committee.
	In Premises	5	3	15	High	Insured for £5000
	In Safe	5	2	10	Medium	Insured for £5000
	Loss whilst in Private Residence of Member or Employee	5	3	15	High	Insured to £500
	Through theft or dishonesty of Staff or Members	5	2	10	Medium	Fidelity guarantee of £500,000
	Loss/miss-use of debit/credit card	5	1	5	Low	Fidelity guarantee of £500,000 as above. Regular monitoring of budget with reports to Council on a minimum of a quarterly basis. The preparation of regular bank/cash reconciliations and their presentation to the FGP Committee Chair. Named Officers

						approved use by Finance GP Committee. Credit card statement signed off each month by x 2 members.
Borrowing/Lending	Adequacy of finances to repay loan	5	1	5	Low	Provision made in Annual Budget if required. Policy to be part of Investment Policy if required. Currently no loan held by Council
Investment Strategy Income /Policy	Lack of Investment Strategy Policy	3	2	6	Medium	Investment Policy in place FGP Committee Review 3 yearly
	Missed Interest payments	2	1	2	Low	Check monthly investment statements to ensure receipts are recorded to correct account. Monthly reconciliation.
Reserves – General	Ensure Adequacy	5	1	5	Low	Consider at Budget Setting, Reserves Policy in place to retain 4-6 months expenditure
Reserves – Earmarked	Ensure Adequacy	5	1	5	Low	Consider at Budget Setting, in line with planned maintenance programme
	Unidentified/Recording	5	1	5	Low	Identified at Budget Setting and Recorded in Final Accounts. Edge software allows for separate recording of earmarked reserves
Reserves – Capital	Risk of spending on non capital items	5	1	5	Low	Investment Strategy in place, incorporating legal requirements relating to use of capital reserves. Capital reserves identified separately in earmarked reserves.
Expenditure						
Legal Powers	Illegal Payment or Activity	5	2	10	Medium	All statutory powers to undertake work recorded in minutes. Ensure compliance with Standing Order and Financial Regulations. Review of

						Standing Order and Financial Regulations on yearly Basis. Council currently holds General Power of Competence under review at each annual meeting.
Salaries /Wages	Wrong Salary Paid	5	2	10	Medium	Staff salaries signed off by x 2 members monthly, payroll contracted out to TCBC
	Wrong Rate Applied	5	2	10	Medium	Reconciles with minutes of National Agreed Rates for Clerks, payroll contracted out
	False Employee	5	2	10	Medium	Finance GP Committee to undertake examination of Payroll records
	Not accounting for correct deductions of NI, Tax and Superannuation	5	2	10	Medium	Meeting the requirements of Inland Revenue with regard to the payments of NI/PAYE contributions and year end returns. Payroll contracted out to TCBC
	Loss of data on PC due to system fault	5	2	10	Medium	Back up data on a daily basis (remotely), with maintenance agreement with Orbits
	Missed Submission of PAYE records Payments	4	1	5	Low	Returns submitted monthly. Annual Return to be completed electronically by TCBC
Direct costs and overhead expenses	Goods not supplied	5	2	10	Medium	Check purchase order against delivery note, review goods received
	Invoice	3	1	3	Low	Check arithmetic, check purchase order against delivery note. Check correct VAT calculated. Approved by Clerk/Assistant Clerk/Finance Manager

	Payment is excessive/payable to wrong party	3	1	3	Low	All invoices approved by Clerk/Assistant Clerk/Finance Manager with verification by x 2 members
	Loss of stock Before/during delivery	4	3	12	High	Review point of sale data, reconcile to stock. Quarterly stock take carried out
VAT Payment Recovery of	Inproper recording of input/output VAT	5	2	10	Medium	Dedicated computer software system in place and analysis sheet provided to local H.M. Customs and Excise in operation
	Improper Identification of Non Business Activities	5	2	10	Medium	Yearly spreadsheet completed identifying total business and non business activities to ensure compliance. Task completed by the Finance Manager before final year end VAT return
	Inability to meet quarterly submissions to H.M. Customs	5	1	5	Low	Systems in place to ensure compliance. Quarterly internal audits
	Annual Reconciliation of quarterly returns	5	1	5	Low	
	Partial exemption applied	5	3	5	High	spreadsheet to calculate yearly partial exemptions by Finance Manager
Accounting	a) Non-standard and/or non-compliant records kept. b) Non-compliance with statutory deadlines for the completion/approval/submission of accounts and other financial returns. c) Non-compliance with internal audit requirements	5	2	10	Medium	Continue to require adequate, complete and statutory financial records and accounts. Continue to ensure that all accounts and returns are completed and submitted by the deadline. Appoint internal auditor

Financial Assistance	Legal Power to contribute	5	2	10	Medium	General Power of Competence approved by Council 2024
	Compliance with Council Policy	5	1	5	Low	Educate/Remind members of Finance Policy & Governance Committee consider application and recommendations minuted. Approved by Council and minuted. Council Grants Criteria reviewed and updated annually. Last January Full Council 2021.
	Risk of Overspend on budget	5	2	10	Medium	Finance Manager to supply Financial Comparison Report for review by Clerk/RFO to monitor monthly and report to Finance Committee/Full Council
Chair/Member Allowances	Over/Under payments to Members	4	1	5	Low	Members to complete and verify standard attendance/claim form
	Maintain proper records	3	1	3	Low	Standard claim forms in place
Other						
Assets	Significant Loss/Damage	5	2	10	Medium	Regular inspection of assets. Insure against all risks. Planned maintenance program developed
	Risk or damage to third party property or individuals	4	2	8	Medium	£10 million # Indemnity of Public Liability in place. Review annually. Preparation of risk assessments for the work undertaken by and on behalf of the Council. Regular maintenance of assets and equipment of the Council. H & S Contractor appointed
	Security of Buildings and Equipment	5	3	15	High	CCTV in place at office reception. Buildings alarmed
	Inadequate/no Asset Register	5	2	10	Medium	Update Asset Register annually

	Maintenance of all assets	5	3	15	High	Undertake repair and maintenance – ongoing through planned maintenance program
	Risk of Public Liability, Employers Liability Guarantee, property, loss of revenue, officials indemnity, libel and slander, personal accident	5	1	5	Low	Continue existing cover and review annually. Current Insurance deal ends October 2024. Need to have all buildings insurance value to be reviewed before October 2024
Staff	Insufficient to deliver service	5	2	10	Medium	Review Staff Structure completed January 2024
Staff	Loss of key personnel – through ill health, retirement, long term sickness or even death	5	3	15	High	Review staff structures, working hours, duties and responsibilities as a matter of urgency. Immediately advertise vacancy and request help from remaining employees to cover temporary loss
Consultations	Meeting of deadlines for response	2	4	8	Low	Appoint working group to consider consultative documents
Document Security	Appropriateness of existing facilities	5	2	10	Medium	Fire resistant cabinets, storage by electronic means with Orbits. Deposit historical records within archive cupboards
Financial Records	Inadequate Records retained as per retention policy and law	5	1	5	Low	Dedicate software package Community Council in use. Support agreement in force with provider. Financial records on shared drive updated monthly and backed up remotely by Orbits
Minutes	Accurate and Legal	5	1	5	Low	Reviewed, signed and dated at following meeting
Health and Safety Risk Assessment	Failure to identify risks	5	5	25	Very High	Independent Health and Safety Consultant (peninsular) engaged to advise Council on Office requirements. Events engages a

						separate independent advisor. Ongoing
Disability Discrimination Issues	Failure to identify and implement adaptations	5	5	25	Very High	Independent Consultants (peninsular) engaged to identify to comply with legislation
Register of Members Interest, Gifts and Hospitality	Lack of Identification of interests and recording of gifts and hospitality	3	1	3	Low	Register of Interest file updated by Assistant Clerk and implemented. Declaration of Office signed by all members and copies held by Assistant Clerk within Council
Code of Conduct	Adoption of up to date Code of Conduct	5	1	5	Low	Code of Conduct adopted by Council and implemented. Employee code of conduct implemented
GDPR	Not meeting requirements of new Regulations	5	3	15	High	Clerk carrying out pre audit survey, data protection audit, data protection report and action plan, provision of Data Protection training completed by all staff and retention policy adhered to
Contracts	Risk of complaint if a contract is unfairly awarded	3	1	3	Low	Adoption of standing orders and financial regulations covering the awarding of contracts and the issue of instructions to undertake works.
	Ensure contained value for money coupled with continuity of work	3	2	6	Low	Ensure the practice of seeking tenders for works and any developments by advertising in local press and issuing specifications and tender documents to contractors expressing an interest. Tenders to be opened by the Chair and Clerk, when needed a tender committee to consider and make recommendations to next available Council meeting

Indemnity insurance is a type of insurance policy where the insurance company guarantees compensation for losses or damages sustained by a policyholder. Indemnity insurance is designed to protect professionals and business owners when found to be at fault for a specific event such as misjudgment.

*Fidelity Insurance reimburses the insured professional for a loss directly resulting from dishonest acts of their employees. Fidelity Insurance protects businesses from costs incurred as a result of forgery, defalcation, embezzlement and other fraudulent acts by employees.