

**FINANCIAL & BUSINESS RISK ASSESSMENT  
YNYSYBWL AND COED-Y-CWM COMMUNITY COUNCIL**

2017/2018

	<u>HAZARD</u>	<u>EFFECT</u>	<u>CONSEQUENCES</u>	<u>MANAGEMENT OF RISK</u>	<u>Action</u>	<u>FREQUENCY</u>
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**FINANCIAL**

<b>Budget/Precept</b>	Not set Not paid by Borough Adequacy	Low Low High	adequate Funds to be able to operate Disruption of services	Monthly Accounts Report to Full Council	Clerk Council	Monthly Annual
<b>Income Other Income Security of Funds</b>	Theft or Dishonesty Not received	Low Low	Loss of revenue	Insurance Cover Monthly Bank reconciliation	Zurich Clerk	Annual Monthly
<b>Payments</b>	Not made Not authorised (fraud)	Med. Low	Delay of Goods from supplier  Financial loss	Check arithmetically Pay only on invoice Inv. Matched to Delivery Notes etc.  Monthly reconciliation ie: Accounts Paid, Bank Statement checked with Monthly Accounts  Payment Schedule presented to Council  Internal audit to test check	Clerk  Clerk  Bank Signatories	Monthly  Monthly  Monthly  Monthly Annual
<b>Cheques &amp; Direct</b>	Loss/Theft	Low	Mis-used	Cheques Stored securely Two Members to sign all cheques Internal controls on DDs	Clerk	Ongoing
<b>Security of Funds (bank accounts) (cash in hand)</b>	Theft or Dishonesty	Low	Loss of revenue	Insurance Cover Bank Reconciliation Access controls to accounts  Internal audit to test check	Zurich Clerk	Annual Monthly  Annual
<b>V.A.T.</b>	Not reclaimed	Low	Loss of revenue	Accounts/Bank Statements Internal audit to test check	Clerk	Quarterly
<b>Reserves/ final account</b>	Adequacy Contingency correctness	High High Low	Financial problems Bankruptcy loss of financial control	Discussed in Budget meeting Report Budget progress three monthly Internal audit to test check	Clerk/Full Council	Annual
<b>Wages</b>	Incorrectly Paid <u>Fraud</u>	Low	Detrimental to Staff	Checked against Inland Revenue Annual PAYE return	Supervisor/Clerk	Weekly

				Checked against Budget Internal audit to test check		
<b>Grants</b>	Council Agreement  Power to Pay	Low	Payments Ultra Vires	Application forms and accounts Minute the Power to pay Minute to the grant given Account seperately to maintain within limit	Clerk  Members confirm	Ongoing

## **GENERAL**

<b>Financial Records</b>	Inadequate Records Errors	Low	Potention loss of income etc. Inadquate funds to operate	Monthly Accounts Internal Audit to test check	Clerk	Monthly
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<b>Minutes</b>	Inaccuracy Loss of Minutes	Low	Complaints from Public	Approved by Council prior to release Copies on website	Clerk/Full Council	Monthly
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<b>Computer Records</b>	Loss	Medium	Loss of Records	Back up to Disc	Clerk	Weekly
<b>Public Liability</b>	Injuries		Injuries to General Public/Staff	Insurance cover	Clerk	Annual
<b>Insurance</b>	Inadequate Cover Not re-newed	High	Insufficient cover Serious consequences	Clerk, Internal Auditor	Clerk	Annual
<b>Contracts</b>	Poorly specified Fraud	High	Poorly specified Financial loss	Written into Standing Orders	Clerk/Full Council	When Required
<b>Members</b>	Interests not declared	Medium	Loss of reputation	Agenda item: Disclosures of personal interest	Clerk	Every Meeting
	Slander & Libel	low	Financial loss	Insurance?		

## **ASSETS**

<b>Assets</b>	Theft,damage, loss,	Medium	Disruption to business	Insurance Cover	Clerk	Annual
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	Risk to damage to third party property or individuals		Loss of revenue	Insurance Cover		
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<b>STAFF</b>						
<b>Loss of Clerk</b>	Disruption of services	High	Disruption of services	Replacement Clerk Local Clerks could help	Members	When required
<b>Personnel Disputes</b>	Compensation Claims Tribunals  Failure to comply with Legislation	Low	Large diversion of staff time Financial compensation to be paid	Training Procedures	Members	When required
<b>OTHER</b>						
<b>Service Levels Agreements and Grant Claims</b>	Failure to Deliver service Failure to claim grants		Financial loss	Internal controls Internal Audit to test check	Clerk Internal Auditor	Annually
<b>Gifts &amp; Hospitality</b>	Fraud/ dishonesty		Financial loss	Internal controls Internal Audit to test check	Clerk Internal Auditor	Annually