

Llanpumsaint Community Council Financial and Management Risk Assessment March 2025.

Assessment Criteria: Green (low) Amber (medium) Red (high) for Impact, Likelihood, and Risk.

1. Financial

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
Precept	Adequacy of precept requirements	Red	Green	Amber	At the budget setting meeting Council receives a budget update report, including actual spend and projected position to the year end with indicative figures or costings obtained by the Clerk. The budget is always agreed by council before precept.	Existing procedure is adequate Reserves held for unexpected expenditure
	Precept request not submitted to Unitary Authority	Red	Green	Green	Budget meetings are held in January to allow additional time to agree on a budget before the deadline. Unitary Authority chase if precept request not received.	Existing procedure is adequate
	Amount not received by Council	Red	Green	Amber	The Clerk informs the Council when the precept payments are received at the following council meeting. The bank account is monitored monthly.	Existing procedure is adequate
Bank account	Bank errors	Amber	Green	Amber	Bank accounts are reconciled monthly and any errors are immediately reported to the Bank for correction.	Existing procedures are adequate

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
	Loss				Financial Regulations specify procedures to be taken to protect the Council from loss. Early identification of errors will optimise chances of recovery	Existing procedures are adequate
	Charges				Present bank account now attracts charges. This has been budgeted for.	Existing procedures are adequate
Cash	Loss through theft or dishonesty				The Council has Financial Regulations that set out the requirements. Petty cash is not used. The council does not engage in cash transactions of any sort.	Existing procedures are adequate.
VAT	Reclaiming VAT incorrectly				Society of Local Council Clerks advice is sought where appropriate	Existing procedures are adequate
	Failing to submit yearly return				Clerk submits a yearly claim and reports to Council when done. Sums are too small for quarterly returns.	Existing procedures are adequate
Budgeting	Council fails to monitor and control				Budget monitoring report submitted to Council each meeting	Existing procedures are adequate
	Unexpected expenditure				Reserves held to cover. Contingency allowance in budget.	Existing procedures are adequate
Direct Costs Overheads Expenses Debts Income	Goods not supplied but billed				Clerk checks invoices on receipt to ensure that goods/service has been received.	Existing procedures adequate.

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
	Incorrect invoicing				Invoices are checked by the Clerk. A Payment For Approval Schedule is circulated to Councillors prior to the Council meeting. The schedule is discussed and approved at the Council meeting.	Existing procedures adequate.
	Cheque payable incorrect				The Clerk prepares the cheques, which are signed by two councillors following the Council meeting at which the payment is approved. Other cheques raised are authorised by the Clerk and Chair up to £500 per the current Financial Regulations	Existing procedures adequate.
	Electronic payment incorrect				Electronic payments are rarely made. All payments are made by cheque.	Existing procedures adequate.
	Unpaid invoices				Unpaid invoices due to the Council are pursued.	Existing procedures adequate.
	Rents from Tenant				Invoice issued annually for rent of Ty Hyrs.	Existing procedures adequate
	Rent Reviews				Charges reviewed annually during budget setting meeting in January.	Existing procedures adequate
Salaries	Incorrect salary paid				A Personnel Committee member is engaged to process all payments. Contract details sent to payroll accountant.	Existing procedures adequate
	Payment of PAYE to HMRC not made				Personnel committee member sends clerk P32 with sum owing. This is added to the payment schedule for approval at council and payment sent to HMRC.	Existing procedures adequate

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
	Incorrect rate of pay				NJC letter submitted to council. Changes in SCP or grade are authorised to council. Details submitted to a personnel committee member following discussion and approval at council meeting.	Existing procedures adequate
Councillor Allowances	Councillors overpaid Income Tax deduction				Councillors receive an allowance, unless refused.	Existing procedures adequate.
Election Costs	Risk of an election cost				The risk is higher in an election year. When an election is due the Clerk will obtain an estimate of costs from the County Council for a full election and an uncontested election. There are no measures that can be adopted to minimise the risk of having a contested election as this is a democratic process. Budget to provide for this in election year. Reserves to be used when election is unscheduled	Existing procedures adequate

2. Compliance

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
Legal Powers	Illegal activity or payments				All activity and payments within the powers of the Council to be resolved and minuted at Council meetings.	Existing procedure adequate.

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Agendas Minutes Notices Statutory Documents	Accuracy and legality				Agendas and minutes are produced in the prescribed method by the Clerk and adhere to the legal requirements. Agendas are displayed and minutes are available in accordance with the legal requirements. Minutes are approved and signed at the following Council meeting.	Existing procedure adequate.
Members' Interests	Register of Members' Interests Pecuniary Interests				The member must disclose the interest to any meeting of the authority at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'. Register of interests updated after each meeting. All members required to attend Code of Conduct training in each electoral term. Register of Interests published on website at the end of each financial year.	Existing procedure adequate
Planning	Consultations not responded to within timescales				Delegation to Council between Council meetings.	Existing procedures adequate
Health & Safety	Harm caused by failure to ensure adequate Health & Safety				Council recognises health, safety and welfare as essential in the successful operation of its activities. All operations will be conducted with due regard for the Council's statutory obligations and the appropriate safeguards to minimise risks to the health and safety of all employees and others who may be affected by our activities. Maintenance plan for Council's assets and properties to be prepared and reviewed annually under The Management of Health and Safety at Work Regulations 1999:	Existing procedure adequate Public Liability Insurance £10 million Employers' Liability Insurance £5 million

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	Member Security				A meeting of a resident outside of a council meeting is not encouraged. Any requests or concerns should be made to the Clerk via email. If it is necessary to meet a resident, then no less than 2 council members should be present, where possible.	Existing procedure adequate.
Legal Liability	Damage to Third Party property or individuals as a consequence of Council actions				Risk assessments conducted for events and activities.	Public Liability Insurance £10 million.

3. Employees

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
Employees	Loss of key personnel				Contact SLCC branch re Locum Clerk. Clerk to hand over laptop and relevant documents to new clerk for continuity.	Existing procedures adequate.
	Fraud by Staff				Financial risks are very low as there is only one member of staff and no petty cash operated. The Clerk is not a signatory.	Existing procedure adequate
	Actions undertaken by staff				The Clerk should be provided with relevant training, reference books, access to assistance and legal advice required to undertake the role. Clerk has completed the ILCA and will receive training for the CILCA.	Existing procedure adequate

4. Property

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
Assets	Damage to assets owned by the council – buildings, equipment.				<ul style="list-style-type: none"> Asset register maintained; Annual assets inspection; Maintenance plan for assets; Buildings re-valued every five years; 	Consider Flood protection for buildings Insurance cover reviewed annually by the Assets Committee.

5. Resilience

Subject	Risk(s) Identified	Impact	Likelihood	Risk	Management of Risk	Review / Assess / Revise
Business Continuity	Risk of Council not being able to continue its business due to an unexpected circumstance				A dedicated laptop is available for council use and will be handed back to the Council to pass on to the relevant personnel.	Existing procedure adequate

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Council	Losing enough councillors to make council inquorate				Unitary Authority will take over the running of the Council. Councillor training plan to keep Councillors motivated and engaged to be developed.	New Welsh legislation stipulates councillor training plan must be in place. Existing procedure adequate.
Cyber Security	Cyber Attack				Cloud backup for all data files. Firewall security in place. Website is maintained by a website provider to ensure the latest protection measures are in place.	Existing procedure adequate