



**FINANCIAL & BUSINESS RISK ASSESSMENT**

**GILFACH GOCH COMMUNITY COUNCIL**

	<b><u>RISK</u></b>	<b><u>EFFECT</u></b>	<b><u>CONSEQUENCES</u></b>	<b><u>MANAGEMENT OF RISK</u></b>	<b><u>ACTION</u></b>	<b><u>FREQUENCY</u></b>
--	--------------------	----------------------	----------------------------	----------------------------------	----------------------	-------------------------

**FINANCIAL**

<b>Budget/Precept</b>	Not set Not paid by Borough  Adequacy	High High  High	Inadequate Funds to operate Disruption of services	Scheduled Council Meeting to set Precept Prepare and monitor Budget Monthly Accounts Report to Full Council	Clerk/Full Council	Annual Monthly
<b>Income</b>	Theft or Dishonesty  Not received	Low/High  Low/High	Loss of revenue	Insurance Cover  Monthly Bank reconciliation Reconciliation with Budget Internal audit to test check	Insurance Clerk/Full Council Clerk	Annual Monthly Monthly
<b>Payments</b>	Not made  Not authorised (fraud)	Med.  Low/High	Delay of Goods from supplier  Financial loss	Check arithmetically  Pay only on invoice Inv. Matched to Delivery Notes etc.  Monthly reconciliation i.e.: Accounts Paid, Bank Statement checked with Monthly Accounts  Payment Schedule presented to Council  Internal audit to test check	Clerk/ Bank Signatories  Full Council  Clerk/Full Council	As Paid  Monthly  Monthly

<b>Cheques &amp; Direct Debits</b>	Loss/Theft	Low/High	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/High	Loss of revenue	Insurance Cover Bank Reconciliation Access controls to accounts  Internal audit to test check	Insurance Clerk	Annual Monthly
<b>V.A.T.</b>	Not reclaimed	Low	Delayed revenue	Accounts/Bank Statements Internal audit to test check	Clerk	Annual
<b>Reserves/ final accounts</b>	Adequacy  Correctness	Low/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/Med -	Detrimental to Staff Financial Loss	Check to Time Sheet Checked against Inland Revenue Annual PAYE return Checked against Budget Internal audit to test check	Supervisor/Clerk -	Weekly -
<b>Grants</b>	Council Agreement  Power to Pay	Low  Low	Payments Ultra Vires	Application forms and accounts Minute the Power to pay  Minute to the grant given Account separately to maintain within limit	Clerk  Members confirm	Grants Meeting

**GENERAL**

<b>Financial Records</b>	Inadequate Records Errors	Low	Potential loss of income etc. Inadequate funds to operate	Monthly Accounts Electronic Back-up - weekly Internal Audit to test check	Clerk/Full Council	Monthly Quarterly
<b>Minutes</b>	Inaccuracy Loss of Minutes	Low	Complaints from Public	Approved by Council prior to release Electronic back-up - weekly Copies in local library/Borough Council	Clerk/Full Council	Monthly Weekly
<b>Computer Records</b>	Loss	Med/High	Loss of Records	Electronic Back up - weekly Kept in Fire Proof Safe or off site	Clerk	Weekly
<b>Public Liability</b>	Injuries	High	Injuries to General Public/Staff	Insurance cover	Clerk	Annual
<b>Insurance</b>	Inadequate Cover Not re-newed	High	Insufficient cover Serious consequences	Clerk  Internal Audit to test check	Clerk	Annual
<b>Contracts</b>	Poorly specified Fraud	High	Poorly specified Financial loss	Written into Standing Orders Internal Audit to test check	Clerk/Full Council	When Required
<b>Maintenance</b>	Not carried out	Low/Med	Disruption to services	Regular Inspection also PAT  Testing of electrical equipment	Clerk/Supervisor	Frequently
				a minimum of 3 years		
<b>Members</b>	Interests not declared	Medium	Loss of reputation	Agenda item: Disclosures of  personal interest	Clerk	Every Meeting
	Slander & Libel	Low/high	Financial loss	Insurance		

--	--	--	--	--	--	--

## ASSETS

<b>Assets</b>	Theft, damage, loss, Vehicle accident  Risk to damage to third party property or individuals	Low/High	Disruption to business  Loss of revenue	Insurance Cover Physical protection e.g. alarms Regular Inspection of buildings and equipment  PAT testing carried out minimum 3 years	Clerk	Annual or  when required
---------------	--	----------	---	--	-------	--------------------------------

<b>Other</b>						
<b>Loss of Clerk</b>	Disruption of services	Med/High	Disruption of services	Local Clerks might help until Replacement could be found?  Training?	Members	When required
<b>Loss of other Staff</b>	Disruption of services	Med/High	Work would have to be prioritised	Job vacancy advertised  List of reserve staff?	Clerk	When required
<b>Personnel &amp; Legislative Requirements</b>	Compensation Claims Tribunals	High	Large diversion of staff time Financial compensation to be paid	Training Documented Procedures  Possible insurance?	Clerk	When required

	Failure to comply with Legislation	High				
--	------------------------------------	------	--	--	--	--