

Cyngor Cymuned Eglwyscummin Community Council

Financial risk assessment and management for 2026 to 2027

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Action
Precept	Not submitted	L	Precept submitted on time – January 31 Annually	Full Council to determine Precept
	Not paid by CC	L	Precept paid by CC – in three instalments, Apr Aug, Dec	Monitor payment by BACS and report to Council
	Adequacy of Precept	H	Review of Budget to actual to identify sufficiency Receipts, expenditures and Bank reconciliations to be presented to Council monthly	Precept to be raised if necessary following year; spending to be curtailed in current year. if required.
Other Income	Adequacy of Reserves	L	Consider at Budget Setting in January	Adjust Budget to include contingency funds
Budget	Failure to check regularly against spending	M	Monthly check on spending against Budget	RFO/Clerk to monitor and report to full Council meetings.
Expenditure issues	Unpresented cheques for significant periods	M	Do monthly bank reconciliations; query any concerns with cheque possessor; alert Council if issues continue	Monthly bank reconciliation; consider making online payments the Council default where possible.
Proper use of funds	Failure to ensure that Section 137 is followed regarding use of funds	M	Monitoring spend	RFO to verify and advise
Grants	Claims Procedure	M	Clerk/RFO Check as Required	Conditions of Grant to be scrutinised
	Receipt of Grant when due	M	Clerk/RFO Check as Required	Clerk/RFO to Monitor Grant income
	Conditions Agreed by Council	L	Agree and document any reasonable conditions	Ensure adequate Reserves to cover unexpected costs
Clerk's Salary	Incorrect Salary/hours/rate paid	M	Check salary and rate to contract. Annual review in accordance with SLCC/NALC agreed rates.	Clerk/RFO present information to Council monthly
	Incorrect deductions of NI and Income Tax	M	Monitor PAYE Calculations	
	Confirm Registration as employer with HMRC	H	Registration with HMRC's Real Time Information	Automatic monthly submission to HMRC/RTI Program
Direct Costs	Invoice incorrectly calculated or recorded	L	Check figures on Invoices and perform bank reconciliation on monthly basis.	RFO to verify
	Goods not supplied to Council	L	Follow up on all orders	RFO to check
Borrowing	Adequacy of finances to repay overdraft/loan	H	Provision to be made in annual budget	Ensure adequate funds available in Current and Reserve accounts
VAT	VAT Analysis	M	Recording of VAT rated items in Cash Book Account	Clerk/RFO record all VAT entries

			Inability to meet submissions for refund of VAT to HMRC	Clerk/RFO to monitor refunds annually
	Charged on purchases	L	Consider all items as per Cash Book Account	Clerk/RFO verify and record
	Refund claimed within time limits	M	Agree returns submitted annually or when necessary	Clerk/RFO to monitor amount of VAT to be refunded
Assets	Loss, damage etc	M	At least annual Inspection of assets, if necessary update Insurance and Asset Register	Clerk report asset register review to Council annually. Clerk to ensure insurance cover is adequate for assets held annually.
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Clerk to ensure insurance adequate annually
	Security of Equipment	M	Ensure all assets are sound – check periodically	Undertake periodic risk reviews of electronic assets to ensure they are maintained suitably.
				Undertake periodical inspections and risk reviews to ensure safety of Council external assets such as benches and seats.
				Ensure adequate all risks insurance in place and review annually
	Maintenance of Equipment	H	Monitor state of assets to identify damage	Undertake ongoing repair and maintenance
Asset Register	M	Updating of Register	To be updated Annually or when major purchases are made	
Insurance	Review of cover	M	Review of cover at least annually or to reflect changing needs	Annually and when changes are made to the Policy.
Staff	Absence of Clerk	H	Procedure in the event of Clerk's long or short term absence – duties involved, Member or extra staff to cover.	Written guidance provided for short-term absence to be covered. Professional advice to be obtained from SLCC/OVW in the first instance for longer-term absence..
	Loss of Key Personnel (Clerk)	H	Hours, health, stress, training, long-term sick, early departure – all risk monitored and managed as appropriate.	SLCC/NALC template basis for staff contract to ensure correct legal procedures in place. Council to act accordingly and promptly should issues arise. Clerk given full opportunity to raise issues with Council or the Chair in confidence at any time.
Computer Safety	Document Security and Access to information and passwords.	H	Appropriateness of existing systems	Contingency plans established to enable access to Council information and knowledge of passwords in the event of Clerk's absence from work.
				Fire-resistant cabinet used for hard copy storage and shredder for disposing of obsolete documents.
				Electronic files backed up regularly and kept in separate location. GDPR compliant cloud backup also used.
				Deposit of historical records e.g. Minutes with CCC archives.

GDPR compliance	Compliance with GDPR	H	Ensure Council has adopted suitable policies and adheres to them	<p>Clerk compile suitable policies following guidance from SLCC/OVW/NALC, which are adopted, and reviewed annually.</p> <p>Clerk ensures only data that is required is kept, and that records and information are suitably disposed of when necessary.</p> <p>Clerk manages any SARs, FOI requests of other legal enquiries in accordance with Council's policies.</p>
Financial Records	Inadequate records	L	Financial records updated at least monthly and backed up.	<p>Relevant software programs used. Hard copy documents are also recorded and stored electronically.</p> <p>Each payment has trail of invoice and cheque/BACs record and is marked when presented for payment by recipient.</p> <p>Electronic records backed up at least monthly, to GDPR compliant Cloud storage and a separate electronic record.</p>
	Internal and External Audit of Accounts and Elector's rights of inspection	L	Annual Notice of Inspection of Accounts Preparation for Internal and External Auditors	<p>Accounts to be made available to an elector upon request, in a manner compliant with GDPR.</p> <p>Independent Auditors to be appointed for Audits</p>
Minutes	Accuracy and legality	M	Review at following meeting	Review, sign and date at following meeting and keep in perpetuity, either with Clerk or passed to Archives Service.
Document Control	Proper control of documents	L	Observe Data Protection Act and associated legislation.	Keep up to date with legislation. Clerk to amend or draft for review and adoption policies as required.
	Adoption of procedures	L	Observe legal requirements and prepare policies and procedures relevant to the Council	Clerk to review annually
Register of Members' Interests, gifts and hospitality	Conflict of Interest Identification of Interest and recording of gifts and hospitality	L	Declarations of interest to be documented/minuted and any conflict addressed as appropriate	<p>To be addressed at every Meeting of the Council.</p> <p>Register of Interests file to be held by the Clerk. Declaration of Office signed by all members and copies held by the Clerk.</p> <p>Training on Code of Conduct and Register of Interests to be made available to all Cllrs at least annually.</p>
Code of Conduct / Personal and Pecuniary interests.	Rules not adhered to by Cllrs.	L	Code of Conduct adopted by Council	<p>Code of Conduct adopted by the Council and updated when necessary.</p> <p>Training of Cllrs on Code of Conduct and personal and pecuniary/prejudicial interests to be made available on at least an annual basis.</p>
Legal Powers	Illegal Payment or Activity	L	Recording of all payments and activities	All statutory powers to undertake work recorded in Minutes.

				Ensure compliance with Standing Orders and Financial Regulations Standing Orders and Financial Regulations to be reviewed annually or when changes occur in governance.
Health & Safety	Failure to identify issues	H	Drafting and use of appropriate Health & Safety Policy and risk assessments.	Clerk to draft appropriate Health and Safety Policy and relevant risk assessments for use by Council. Clerk to review these periodically to ensure compliant with latest legislation, suitable for purpose and compliant with insurance requirements.
Risk Assessments	Failure to carry out	H	Identify circumstances requiring a risk assessment	Carry out periodic Risk Assessments as necessary
Disability Discrimination	Failure to observe the Disability Discrimination Act	H	Identify relevant areas of the Act	Ensure risk assessments carried out include appropriate measures and that remedial action/adaptations are taken if necessary
Payments online	Unauthorised payments made or received; no oversight of payments made or received.	H	Process developed to ensure payments are viewed and agreed in meeting by Council prior to payments being authorised, and a double check of the payments sent to all Cllrs.. Several Cllrs can access online banking and so can independently check the balances and payments at any point.	Payments are seen and agreed in a Council meeting each month they meet. The majority of payments are currently made by cheque, signed by two Councillors in the meeting. For those online, the majority are authorised direct debits. For any online payment not covered by the above the Clerk sets up payment, which is then authorised by a Councillor online.