

NEWCASTLE HIGHER COMMUNITY COUNCIL
ANNUAL RISK ASSESSMENT SCHEDULE – Issue December 2021

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
 6-10 Medium
 11-15 High
 16-25 Very High

Topic	Risk Identified	Potential Consequence	Likelihood	Severity Score	Classification	Measures to be taken to Reduce/Minimise/Control Risk
Income Precept	Not Submitted	5	1	5	Low	Full Budget process in place. Clerk/RFO to prepare budget annually in November / December. Full Council to consider budget annually in December Full Council to determine precept annually in December Clerk/RFO to notify County Council in late December
	Not paid by County Council	5	1	5	Low	Clerk/RFO to monitor and report to Council Paid in one payment directly to bank account by BACS
	Inadequacy of Precept	5	1	5	Low	Clerk RFO to present quarterly Reconciled Accounts, detailed Receipts and Expenditure records maintained and Financial Summary presented to Council meeting on quarterly basis to review/compare budget to actual.
Loss of Money	Business Interruption	1	1	1	Low	Insured – No cover in place. Minimal risk
	In Transit	5	1	5	Low	Insured for £2,500
	In Premises – in Safe	5	1	5	Low	Insured for £2,500
	In Premises – out of Safe	5	2	10	Medium	Insured for £300
	Private Residence of Member or Employee	5	2	10	Medium	Insured for £350
	Through theft or dishonesty of Staff or Members	5	2	10	Medium	Insured Fidelity guarantee of £250,000
Borrowing/Lending	Adequacy of finances to repay loan	5	1	5	Low	No Provision for borrowing made in Annual Budget
Investment Strategy Income/Policy	Investment Strategy Policy	3	1	3	Low	No Investment Strategy implemented
Reserves – General	Ensure Adequacy	5	1	5	Low	Consider at Budget Setting
Reserves – Earmarked	Ensure Adequacy	5	1	5	Low	Consider at Budget Setting
	Unidentified /Recording	5	1	5	Low	Identified at Budget Setting and Recorded in Final Accounts

Contracts	Failure to fulfil agreement	5	2	10	Medium	Clerk/RFO to monitor in conjunction with Council.
	Loss of income	5	2	10	Medium	Clerk/RFO to monitor service delivery in line with contract to ensure potential revenue streams are not impacted.
Expenditure						
Legal Powers	Illegal Payment or Activity	5	2	10	Medium	All statutory powers to undertake work recorded in minutes. Ensure compliance with Standing Orders and Financial Regulations. Review of Standing Orders and Financial Regulations prior to adoption at Annual Meeting.
Bank Payments	Cheque Payments	5	2	10	Medium	All cheque payments to be approved and recorded in minutes. Bank mandate set up to provide for two signatories on all cheques. Mandate is reviewed annually at Annual Meeting.
	Internet Payments	5	4	20	Very High	All online payments to be approved and recorded in minutes. Payment Approval schedule (as presented to meetings) must be signed in accordance with Bank mandate (ie: two signatories). Mandate is reviewed annually at Annual Meeting. Independent Internal Auditor to verify.
Salaries/Wages	Wrong Salary Paid	5	4	20	Very High	Clerk's salary presented to Council monthly and Chairman to scrutinise details of payments.
	Wrong Rate Applied	5	2	10	Medium	Reconcile with minutes of National Agreed Rates for Clerks
	False Employee	5	2	10	Medium	Internal Auditor to undertake examination of PAYE records.
	Not Accounting for correct deductions of NI, Tax and Superannuation	5	4	20	Very High	Independent Internal Auditor to test deductions during annual audit.
	Submission of PAYE records Payments	4	1	5	Low	Returns submitted monthly. Internal Auditor to verify. Annual Return to be completed electronically
VAT Payment Recovery of	Improper recording of input/output VAT	5	2	10	Medium	Detailed electronic analysis sheet maintained and provided to H.M Revenue & Customs annually.
	Improper Identification of Non-Business Activities	5	2	10	Medium	
	Inability to meet annual submissions to H.M.R.C	5	1	5	Low	Systems in place to ensure compliance.
	Annual Reconciliation of return.	5	1	5	Low	
Financial Assistance	Legal Power to contribute	5	2	10	Medium	Compliance with section 137 and other legislation
	Compliance with Council Policy	5	1	5	Low	Educate/Remind members of Policy
	Overspend	5	2	10	Medium	Clerk/RFO to monitor monthly
Councillors Allowances	Over/Under payments to Members	4	1	5	Low	Infrequent claims. Allowances paid will be by strict reference to Independent Remuneration Panel for Wales Annual Report.
	Proper deduction of tax	5	1	5	Low	Clerk/RFO to administer where applicable. Internal Auditor to verify.

	Maintain proper records	3	1	3	Low	Standard claim forms to be completed.
Training						
Councillors	Failure to fulfil the duty to act properly.	4	2	8	Medium	Membership of One Voice Wales. Utilise relevant training opportunities as and when circulated by OvW.
Clerk	Failure to fulfil the duty to act properly.	5	2	10	Medium	Annual Performance Review to establish training needs. Membership of One Voice Wales. Utilise training opportunities as and when circulated by OvW and other relevant bodies.
Other						
Assets	Loss/Damage thereof	5	2	10	Medium	Weekly / monthly inspection of Community facilities, to include all assets such as Christmas lights, defibrillators and playing fields. Insure against all risks. Review annually.
	Risk or damage to third party property or individuals	4	2	8	Medium	£10,000,000 Indemnity of Public & Product Liability in place. Review annually
	Security of Buildings and Equipment	5	3	15	High	Weekly inspection of Community Halls. Management Committee agreements in place. Weekly/Monthly and Annual inspections of recreational facilities. Insure against all risks. Review annually.
	Security of Information	5	2	10	Medium	Use of anti-virus software. Frequent data back up to USB device.
	Asset Register	5	2	10	Medium	Review and update Asset Register annually
Staff	Insufficient to deliver service	5	1	5	Low	Annual Review of Staff Structure
Staff	Loss of key personnel – (Clerk) through ill health, retirement, long term sickness or even death.	5	3	15	High	Unavoidable risk with single employee. Clerk/RFO to prepare and document work instructions for all key activities. List of all system passwords to be lodged with Chair to mitigate disruption in the event of Clerk/RFO incapacity.
Consultations	Meeting of deadlines for response	3	4	12	High	Hold supplementary planning meetings to consider planning applications and other consultative documents falling in between normal monthly meetings.
Document Security	Appropriateness of existing facilities	5	3	15	High	Archived records reviewed and logged. Documents held in storage room. Consider storage of historical records with Glamorgan archives.
Financial Records	Inadequate Records	5	1	5	Low	Records subject to Internal Audit verification for completeness. Electronic records held and backed up. Records regularly updated in accordance with adopted Finance Regulations.
Minutes	Accurate and Legal	5	1	5	Low	Held electronically. Reviewed, signed, and dated at following meeting.
Health and Safety Risk Assessment	Failure to identify	5	2	10	Medium	Professionally prepared risk assessments to be sought if required.
Disability Discrimination Issues	Failure to identify and implement adaptations	3	3	9	Medium	Professional assessment required to ensure compliance.

Register of Members Interest, Gifts and Hospitality	Identification of interest and recording of gifts and hospitality	4	1	4	Low	Register of Interest held by Council and implemented. Declaration of Office signed by all members and copies held by Council.
Code of Conduct	Adoption of Code of Conduct	5	1	5	Low	Code of Conduct adopted by Council and implemented. Training available to Members if required.
Welsh Language Policy	Preparation of and Implementation of Policy	2	2	4	Low	Business conducted in English. Welsh language not widely spoken in the community. No formal Policy in place. No requests from Electorate or Members for bilingual communication.

Document Amendment History

Policy Number	Originator of change	Date of Change	Amendments
1	Implementation	8 th February 2022	Implementation