



FINANCIAL RISK ASSESSMENT SCHEDULE

May 2025

Assessment Criteria

Rating: Potential Consequence Score: 1-5 **Classification:** 1-5 Low
Likelihood of Happening Score: 1-5 6-10 Medium
Severity Score = Potential Consequence x Likelihood 11-15 High
16-20 Very High

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. RFO to prepare budget annually in November. Finance Committee to consider budget annually in November -December Full Council to determine precept annually in December RFO to notify Monmouthshire County Council in January
Not paid by County Council	5	1	5	Low	RFO to monitor and report to Council Paid directly to bank account by BACS
Inadequacy of Precept	5	1	5	Low	RFO to present monthly Reconciled Accounts, All monthly Receipts and Expenditure and Financial Summary to be presented at Council meeting Finance Committee to review/compare budget to actual quarterly and feedback to Council
Hall Hire Charges					
Hiring Charges/Collection	5	2	10	Medium	Clerk to ensure that hiring applications are fully completed and signed for all casual hirers

Adopted /Approved AM 07.05.25

Financial Risk Assessment

Risk Identified	Potential Consequence	Likelihood	Severity Score	Classification	Measures to be taken to Reduce/Minimise/Control Risk
					Invoices to be reconciled with hiring fees RFO to issue invoices on a monthly basis No cash payments.
Hiring Charges – Review	3	2	6	Medium	Annual Review of charges in May by Council
LOSS OF MONEY					
Business Interruption	5	2	10	Medium	Insured against loss
In Transit	5	1	5	Low	Private company empties car park payment machine
Private Residence of Member or Employee or council building	N/A	N/A	N/A	N/A	No cash handled or kept on premises
Through theft or dishonesty of Staff or Members	5	1	5	Low	Fidelity guarantee of £150,000.
EXPENDITURE					
Illegal Payment or Activity	5	2	10	Medium	Statutory powers to undertake work recorded in minutes. Ensure compliance with Standing Orders and Financial Regulations. Review of Standing Orders and Financial Regulations during lifetime of Council and ideally annually.
Not Accounting for correct deductions of NI, Tax and Superannuation	5	2	10	Medium	Independent Professional Payroll Company employed to process manual staff wages.
Inaccurate recording of hours	5	1	5	Low	Staff to report any change in hours to Clerk. Overtime to be approved via Clerk and reported to Council. Clerk overtime to be approved by Chairman and reported to Council.
Non-submission of	4	1	5	Low	Returns submitted monthly by Independent Professional Payroll Company.

Financial Risk Assessment

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PAYE records Payments					Annual Return to be completed electronically
Improper recording of input/output VAT	5	2	10	Medium	Rialtas Alpha software system used by Council which prompts for VAT breakdown. VAT payments are output to a report for submission to HMRC.
Improper Identification of Non Business Activities	5	3	15	High	Receive advice from One Voice Wales and internal auditor to ensure proper application for tax purposes.
Inability to meet annual submissions to H.M customs	5	1	5	Low	Rialtas Alpha software used for recording VAT for submission quarterly or annually for VAT reclaim.
Annual Reconciliation of quarterly returns	5	1	5	Low	Rialtas Alpha software
Reserves					
Inadequacy of General Reserves	5	1	5	Low	Consider at Budget Setting annually – Rialtas report to be presented at Council meeting/ Finance Committee to review/compare budget/ reserves quarterly and feedback to Council/ note at Council Meeting
Inadequacy of Earmarked Reserves	5	1	5	Low	Consider at Budget Setting annually and noted in Annual meeting with Annual Investment Strategy approved.
Unidentified /Recording error	5	1	5	Low	Identified at Budget Setting and Recorded in Final Accounts
Salaries and Allowances					
Wrong Salary Paid	5	2	10	Medium	Clerk to receive copies of payslips from payroll company. Chair or Vice Chair to check pay details and contractual rates of pay are in agreement. Salary presented to Council monthly.

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Wrong Salary Rate Applied	5	2	10	Medium	Reconcile with minutes and with National Agreed Rates. Policies and Contracts Committee to review salaries and relevant increments annually.
Over/Under payments to Members	4	1	5	Low	Remuneration spreadsheet kept by Clerk on website. Scrutiny by Council on agenda/minutes
Proper deduction of tax	5	1	5	Low	External accountancy firm to undertake payroll for councillor allowances.
Maintain proper records	3	1	3	Low	Opt-out instructions stored. Remuneration spreadsheet kept up-to-date on website.
ASSETS					
Loss/Damage there of	5	2	10	Medium	Weekly inspection of Community Hall, playing fields, Ifton Lane. Monthly inspection of Bus Shelters, Wayside Seats. Insure against all risks. Community Hall insured for replacement value. Review annually.
Security of Buildings and Equipment	5	1	5	Low	Key holders restricted. Building locked and security fence gate locked with a padlock.
Asset Register	5	2	10	Medium	Update Asset Register annually
Maintenance of all assets	5	3	15	High	Undertake regular inspection and programme of repair and maintenance - Ongoing
STAFFING					
Insufficient staff to deliver service	5	4	20	Very high	Review processes and put in place a 'manual' in case of clerk absence. Councillors to be trained for legionella safety to stand in for cleaner when needed. Insurance in place for volunteers (including councillors) to undertake work for council, with appropriate risk assessment in place.

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Loss of key personnel – Clerk through ill health, retirement, long term sickness or even death	5	2	10	Medium	Staffing structures, working hours, duties and responsibilities to be reviewed. Footway Lighting provision and other professional services outsourced and used when required.
HEALTH AND SAFETY					
Land and Building Management					
Stability and health of Trees and Hedges	5	2	10	Medium	Clerk or Councillors to undertake inspection of boundary fencing, walls, trees and hedges for health and stability.
Condition of benches	5	1	5	Low	Undertake inspection of benches regularly for safety reasons.
Pavilion building becoming dilapidated/unsafe	5	4	20	Very high	Appointed person to regular inspect and maintain building. Problems to be reported to the Clerk for any further investigation and professional work required.
Risk or damage to third party property or individuals	4	2	8	Medium	Public Liability insurance of £10,000,000 per single event
Staff Safety					
Injury to staff at work	5	3	15	High	Insurance in place. Staff to receive relevant job training. Lone worker policy in place.
GOVERNANCE					

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Documentation					
Inappropriate document security facilities	5	2	20	Medium	Metal filing cabinet (Clerk's personal property) in Clerk's home used for storage of confidential and important paperwork. Electronic documents backed up via cloud storage through an external provider and external back up drive Deposit historical records with County archives.
Inadequate financial records	5	1	5	Low	Dedicate software package for Town and Community Council in use (Rialtas Alpha). Support agreement in place with provider. Financial records updated monthly and backed up externally.
Inaccurate and illegal minutes	5	1	5	Low	Reviewed, signed and dated at following meeting.
Failing to meet of deadlines for response to consultations (planning)	3	2	6	Medium	Planning Committee and Emergency Planning Committee in place to for planning consultation falling in between normal monthly meetings.
Knowledge and Understanding					
Lack of training of members (leading to unlawful decisions of Council)	5	4	20	Very high	Clerk updates when needed training schedule to record all training undertaken by councillors.
Lack of training of staff (leading to unlawful advice or dangerous actions)	5	3	15	High	Annually reviewed training requirements and achievements. Clerk is CILCA qualified. Health & Safety /Legionella training requirements for other staff ongoing.

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Failure to adopt Code of Conduct for Members	5	1	5	Low	Code of Conduct adopted by Council and reviewed annually.