

Argoed Community Council - Risk Assessment 2025-26

| Identified risk | Potential consequence of risk | Assessment of impact (H/M/L) | Likelihood of risk occurring (H/M/L) | Controls in place to manage risk | Required action |
|--|--|------------------------------|--------------------------------------|--|--|
| Loss or damage of physical assets owned by the Council | Assets unable to be used. Expense of replacing assets. | H | M | An up-to-date register of assets. Adequate insurance of assets. | Additional assets notified to insurance company. Street lighting cover to be increased in line with recent events (March 2017) |
| The risk of damage to third party property or individuals as a consequence of the Council providing services or amenities to the public. | Risk of litigation should an individual or third party property become injured or damaged. | H | L | Public liability insurance. Regular maintenance of streetlights by street lighting contractor. Regular inspection of assets. Comprehensive risk assessment of events. | |
| Loss of cash through theft or dishonesty. | The Council may be unable to provide its services. Damage to reputation of the Council. | L | L | Regular bank reconciliations are now carried out (reviewed by Chair and Vice Chair). Internal audit now carried out annually. | Fidelity guarantee cover is.£150,000 |
| Security and maintenance of vulnerable buildings, amenities or equipment. | Risk of loss of Council records or property. | H | M | The building is owned and maintained by Caffi Isa. The office is locked when not in use. Documents are backed to the Cloud. Account details and passwords are stored in a fireproof safe. Garage owned by Council is locked. | |

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| Banking arrangements, including borrowing or lending. | Loss of income through poor investment of funds. Bank charges incurred through unauthorised borrowing. | L | L | Regular bank reconciliations are carried out before each Council meeting. The budget is monitored each month and balances transferred between the deposit account and current account. To avoid unauthorised payments, direct debits have been cancelled. | Regular reconciliation and control on internet banking. Checked by two Councillors. |
| Keeping proper financial records in accordance with statutory requirements. | Qualification of accounts by external auditor. | L | L | A cash book spreadsheet is used to control and effect payment in production of monthly payments listing and financial statements. | Detailed audit trail available. |
| Ensuring all business activities are within legal powers applicable to local councils. | Ultra-vires expenditure could lead to local elector challenge. Possible external auditor investigation/public interest report. This would result in increased fees and bad publicity for the Council. | H | L | All payments are authorised by the Council at Council meetings and payments are signed by the Chair and Vice-chair. | New financial controls in place to cope with electronic payment. Payments reviewed by Council each payment list is authorised by Chair and Vice-chair. |
| Ensuring that all requirements are met under employment law and Inland Revenue regulations. | Fines for not meeting requirements. Liability for unpaid tax. Risk of legal action from employee. | H | L | VAT is analysed separately in the cash book. VAT invoices are retained. | VAT returns are to be submitted annually. |

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| Ensuring the adequacy of the annual precept within sound budgeting arrangements. | The Council would not be able to meet its objectives due to lack of funds. | H | L | The Council sets a budget annually in the annual budget meeting. Actual expenditure against budgeted expenditure is reported to Council. | This is carried out in the precept meeting of January. Reserves of 30% of budget is maintained, unless agreed otherwise. |
| Ensuring the proper use of funds granted to local community bodies under specific powers or under s.137. | Improper use of public funds. | H | L | The Council have a grants group. In order to make a grant, a copy of the most recent accounts is requested. After scrutiny by Grants Committee a further approval is required from Council. | |
| Proper, timely and accurate reporting of council business in the minutes. | The Council could be open to challenge if they do not have an accurate record of any decisions taken. | M | H | Minutes are taken at each Council meeting by the Clerk, these are properly numbered and are approved at the next Council meeting. A master copy is kept locked within the fire Safe within the office and backed up on the Cloud. | Draft minutes to be distributed within 7 days of council meeting to all members. |
| Responding to electors wishing to exercise their rights of inspection. | An elector could complain if they are not able to exercise their right of inspection of accounts. | L | L | A notice is put up on council notice boards notifying electors of their right to inspection of the accounts during the relevant inspection period. July and December. | |

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| Proper document control. | Increased fee from the internal auditor or external auditor if there is a poor audit trail. | L | L | All documents are filed. There is an audit trail from the cash book to supporting documentation. | |
| Register of members' interests and gifts and hospitality in place, complete, accurate and up to date. | Possible complaint by elector. | L | L | All members have adopted the code of conduct. | |
| Cover of Clerk's absence due to long-term illness. | Failure to maintain records up to date and continuity of business. | H | M | Both a Clerk and Assistant Clerk employed on part-time hours, to maintain cover during any absences. Documents backed up to the Cloud for off-site secure access. | |
| Supplier procurement fraud | Supplier bank details could be intercepted and replaced by fraudsters, causing monies to be paid into wrong bank account. | H | M | Get full supplier details in writing on headed paper/official email and verify by telephone using a number obtained from an independent source. Do not accept any changes in bank account details without an independent verification. | Update Argoed Community Council's financial regulations |

Reviewed and approved at AGM on 7 May 2025.