

**LLANGOLLEN RURAL COMMUNITY COUNCIL.**  
**Risk Assessment.**

<b>Identified Risk</b>	<b>Potential Consequence of Risk</b>	<b>Assessment Of Impact</b>	<b>Likelihood of Occurrence</b>	<b>Control Systems</b>
Loss of or damage to assets owned by the Council.	Expense of replacement and inability to use the assets.	H	M	Adequate insurance cover. Up to date Asset Register.
Misappropriation of funds.	Council may be unable to provide its services. Damage to council's reputation.	H	L	Budgetary controls. Insurance cover. Bank reconciliations. Independent auditing.
Legal liability arising from asset ownership and public service provision.	Risk of litigation in the event of injury to an individual or damage to third party property.	H	M	Public liability insurance. Regular maintenance of physical assets where applicable. Annual safety inspection of Noddfa cemetery, seats & notice boards.
Risk of complaint if contract not fairly awarded.	External auditor investigation resulting in additional fees. Damage to Council's reputation. Poor value for money.	M	L	Procedure for awarding contracts in Council's Standing Orders. Conform to Code of Conduct.
Poor fund management.	Bank charges and loss of interest.	L	L	Budgetary control. Frequent bank reconciliations. Regular recovery of VAT.
Employment Law and Inland Revenue regulations not met.	Liability for unpaid tax. Inland Revenue fines. Legal action from employee.	H	L	Regular returns to Inland Revenue. Robust contract of employment, reviewed regularly.
Risk of Precept being Inadequate	Council may not be able to meet its objectives due to lack of funds and in an extreme case run out of funds completely.	H	L	Setting budget in support of the precept and monitoring throughout the year

Expenditure being incurred which is not within legal powers that are available.	Ultra vires expenditure, illegal transaction; local electorate challenge; external audit investigation; public interest report.	H	L	Powers under which expenditure is approved being recorded in the minutes.
Disaster recovery and business continuity	Loss of information requiring additional expenditure to replace; ability lost to run Council services for a period of time	H	M	Council information on website. A secure box file with council policies, information, copies of minutes & agendas to be kept with the current Chairperson. Hard drive to be kept in a secure fire proof box in a locked filing cabinet at the Clerk's home.
The Community Council should ensure that they meet the requirements of the Pensions Regulator with respect to auto enrolment	Even if staff are not eligible to be auto enrolled into the pension scheme, the Council may still have to complete a declaration of compliance	H	M	The Council's payroll is administered by an outside company TA Gittins Ltd. Clerk's staging date 1/1/16. Declaration of compliance and letter from clerk to opt out by the required date.

### Recommendations

- a. That consideration of this amendment is accepted to the revised formal Risk Assessment for 2013/14 after incorporating the additional risk identified by the Internal Auditor in his Action Plan on the 2012/13 accounts.
- b. That in relation to the key risks, these can be identified as relating to the Council's assets, Bank accounts, internal controls and insurance cover for statutory and other purposes.
- c. That the attached report be accepted as having taken all the appropriate steps to minimize risks in conjunction with documented Internal Controls, Standing Orders and Financial Regulations.

Re-adopted May 2009, May 2010, May 2011, March 2012

Re-adopted March 2013 Amendment approved October 2013 min ref 36/37/13

Re-adopted March 2014, March 2015 Amendment approved and re-adopted March 2016

Re-adopted March 2017, April 2018, April 2019