

## Section 1 - Introduction

Risk Assessment matrix (Fig. 1)

Likelihood	Highly likely (3)	Medium (3)	High (6)	High (9)
	Possible (2)	Low (2)	Medium (4)	High (6)
	Unlikely (1)	Low (1)	Low (2)	Medium (3)
		Negligible (1)	Moderate (2)	Severe (3)
		Impact		

### Key Aspects of Risk Assessments:

- **Likelihood**

The probability that an unfavourable event would occur if there were no or limited internal controls

- **Significance or Impact**

A measure of the effect on the council if the unfavourable event were to occur.

- **Cause**

The reason why an unfavourable event may occur

- **Mitigation**

How the council mitigates the risk and manages the residual risk

### Risk Evaluation

- **Low Risk** - losses will be relatively small, negligible effect on service provision. However, without action then such risks may have more significant cumulative effect (ie incidental errors, absence, missed project deadlines)

- **Medium Risk** - have noticeable effect on service provided. Event will cause a degree of disruption to service provision and have budgetary implications. Likely to happen infrequently and generally difficult to predict. More than one medium loss per year could have substantial impact or severity on service provision. ie fire, large theft, major systems failure, incidents of pollution on land)
- **High Risks** - have catastrophic effect on the operation of the Council or its services. Event resulting in significant financial losses, major service disruption or significant impact to the public. Usually occur very infrequently and can be extremely difficult to predict. (ie total system failure, major accident/emergency ie storm damage to woodland, significant flood damage to land)

*"After identifying and evaluating risks, councils need to decide upon appropriate measures to take to avoid, reduce or control the risks or their consequences."*  
(OVW, 2019)

## Managing Risk

Internal controls and mitigation measures to include:

- An up to date register of assets
- Regular monitoring/maintenance of key assets, ie fraud, land management, health and safety, data security
- Annual review of risk, control measures and the adequacy of insurance cover
- Ensure the robustness of insurance providers
- Resilient systems
- Contingency planning

## Section 2 Risk Assessment

Ref	Item	Risk Identified	Likelihood (1-3)	Significance /Impact (1-3)	Risk Rating (1-9)	Management & Control of Risk/Mitigation	Review/Assess/Revise
1	Business Continuity	Council not being able to continue business due to non-availability of clerk to organise meetings and oversee council business  Councillor vacancies	2	2	4 MED	Electronic documents accessible by named Councillors. Minutes would be taken by one of the councillors in attendance. For longer term absences cover arrangements would be considered from other local clerks.  Positive recruitment strategy to fill councillor vacancies	Ensure all council processes, standing orders & Financial Regulations are followed. Hybrid meetings
2	Data Protection	Policy provision Loss of data Damage to council reputation	2	3	5 HIGH	Review regularly with GDPR regulations	LCC registered with Information Commissioner Office.

Ref	Item	Risk Identified	Likelihood (1-3)	Significance/Impact (1-3)	Risk Rating (1-9)	Management & Control of Risk/Mitigation	Review/Assess/Revise
3	Cyber Security	Loss of data Risk of computer hacking/malware etc Damage to council reputation	3	3	6 HIGH	Dedicated email addresses for councillors. Records held at clerk's residence. Utilising of anti virus software. Electronic backups, using external hard drive. Councillors to use strong passwords which are changed regularly	MONTHLY NEWSLETTER FROM CYBER SECURITY Keep anti virus subscription up to date. Clerk to email reminder to Councillors regularly
4	Precept	Adequacy Timeliness of request to MCC Funds not received from MCC	1	2	3 MED	Receipt of low income, which is carefully budgeted and monitored regularly by RFO and full council	Ensure legal responsibilities are prioritised in budget before other capital projects
5	Rents/payments receivable - Wayleaves	Inadequate records for Wayleave payments Payments not received	1	1	2 LOW	Payments through monthly budget & monitored through accounts.	CLERK TO KEEP ADEQUATE RECORDS
6	Banking	Inadequate checks & balances Bank account discrepancies Loss through theft or dishonesty	1	1	2 LOW	Council's Financial Regulations set out the requirements for banking and cheque reconciliations. Councillors not to authorise payment to themselves in Pink paper	Monthly bank reconciliation. To be signed quarterly by Chair. PAYE statements to be signed by Chair.
7	Cash	Loss through theft or dishonesty	1	1	2 LOW	Council has no petty cash or float.	No actions
8	Debit Card	Erroneous payments, loss of card resulting in fraudulent spending	1	3	4 MED	One debit card kept with Clerk; card details not retained on computer	

Ref	Item	Risk Identified	Likelihood (1-3)	Significance/Impact (1-3)	Risk Rating (1-9)	Management & Control of Risk/Mitigation	Review/Assess/Revise
9	Grant	Loss of grant information Failure to comply with funding requirements	2	2	4 MED	Keep records accessible. Records kept and regularly monitored in accordance with grant requirements.	National Lottery Award granted 2019 project ID0010351376 Clerk to keep adequate records
10	Loan	Unable to repay	2	2	4 MED	Budgeted to pay regular instalments	Adequate procedure in place
11	Community Grants/support payable	Inadequate funds to pay Authorisation to pay	1	1	1 LOW	Full council approval of business/project proposal. Discussions and decisions minuted.	Grants available from Council at Council's discretion. Included in budget. Subject to application.
12	Financial Control & records	Inadequate records Financial irregularities	2	2	4 MED	Follow Financial Regulations. Monthly reconciliations.	Review Financial Regs annually
13	Best Value Accountability & compliance with Standing Orders	Inadequate tender process Poor financial control	2	2	4 MED	Comply with Financial Regs.	Review Financial Regs annually
14	VAT	Reclaiming incorrectly	2	2	4 MED	Ensure legal entitlement/procedure followed	Clerk to complete claims annually.
15	Annual Return/Audit	Inadequate checks. Not submitted within strict time limit	2	2	4 MED	Annual return completed & signed by RFO & Chair	Adequate procedure in place

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16	Insurance	Adequacy of cover Cost Compliance	2	2	4 MED	Review as required Public Liability Cover Professional Liability Volunteers	1 year cover, cost & compliance. Annual review is undertaken of all insurance

						Personal Liability for councillors under council corporate cover	arrangements which periodically includes quotations from several providers. Reviewed against revised Asset Register April 2024
17	Freedom of Information	Policy Responding to requests	1	1	1 LOW	Monitor and report impact of requests made under FOI.	Fee can be requested for extra hours. Policy reviewed annually. Policy Published on website. Requests carried out in line with policy. Vexatious policy for extreme cases
18	Website accessibility	Members of the public unable to access website	2	2	4 MED	Endeavour to ensure compliance with website accessibility regulations	Regularly review compliance

LLANBADOC COMMUNITY COUNCIL  
RISK STRATEGY & ASSESSMENT

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Ref	Item	Risk Identified	Likelihood (1-3)	Significance/Impact (1-3)	Risk Rating (1-9)	Management & Control of Risk/Mitigation	Review/Assess/Revise
19	Meeting Location	Adequacy Health & Safety	1	1	2 LOW	Review in line with current Covid Government Regulations	Meetings held 4 <sup>th</sup> Tuesday of the month. Hybrid meetings held to allow people to attend remotely.
20	Salaries & Associated costs	Failure to pay Paid incorrectly Wrong rate paid Wrong hours paid False employee Incorrect accounting & NI	2	2	4 MED	Salary and hours set by national formula. Changes advised to council annually. Salaries and associated costs approved monthly at full council meeting via Pink Paper. Council registered as employer with HMRC & uses HMRC PAYE system to determine amounts payable. HMRC statements signed quarterly by Chair	Review annually / adjust as directed by any change in national SCP for payroll.
21	Councillors Allowances	Inadequacy of budget Incorrect payment	2	2	4 MED	Allowances are set by IRPW Approved annually	Review annually
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22	Election Costs	Incurring an election cost	1	1	2 LOW	Higher in election year when scheduled election due. Clerk will obtain estimate of costs from county council for a full election and uncontested election.	Consideration within budget process

23	Working conditions	Noncompliance with Employment law. Employee/Volunteers not suitably trained or risk assessed	2	2	4 MED	Clerk is LCC's only employee. Working practices are risk assessed annually and reviewed when necessary. Volunteers to adhere to formal working practices in line with H&S risk assessment/insurance.	H&S Risk assessment for clerk carried out April 2023. Volunteers risk assessed as required when work programme prepared prior to commencement of activities. Working area H&S assessed.
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24	Employer Liability	Non compliance with employment law and other statutory obligations Employment status Fraud by staff Actions undertaken by staff	2	2	4 MED	Clerk/RFO contract of employment and job description Requirements of Fidelity Guarantee Insurance to be adhered to. Clerk/RFO to be provided with relevant training, reference books, access to assistance to undertake the role. Comply with Pensions Regulations Insurance cover see 15	Undertake training where necessary.  Submit pension redeclaration every 3 years if applicable.
25	Legal Powers	Illegal activity or payments	2	2	4 MED	All activities & payments made in line with Financial Regulations/Legal Powers to Spend. Decisions by Full Council, except for Emergency expenditure (predominantly H&S reasons) - authorised by Chair & RFO/Clerk	Existing procedure adequate. To be reviewed annually.

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26	Minutes, Agendas, Notices and statutory documents	Accuracy & legality  Non compliance with Statutory requirements	1	2	3 MED	Minutes and agendas are produced in the prescribed method & adhere to legal requirements. Minutes are approved by council and signed off at the next meeting. Minutes & agenda are displayed on website according to legal requirements. Business conducted at the meeting is managed by the Chair.	Existing procedure is adequate. Draft minutes emailed to all council for agreement, prior to publishing on website. Ensure all councillors to comply with Code of Conduct. All activities & payments made in line with Standing Orders & Financial Regulations. Decisions by Full Council, except for Emergency expenditure
27	Councillor conduct	Misconduct, illegal activities, bullying etc	2	2	4 MED	Councillors to comply with Code of Conduct	All councillors to read, understand & comply with the Code CODE OF CONDUCT TO BE REFRESHED FOR ALL COUNCILLORS FOLLOWING ELECTION
28	Public Liability	Risk to third party individuals or property.  Non compliance with Occupiers Liability Act & other Statutory obligations on LCC land	1	1	2 LOW	Written Risk assessments of land and woodlands scheduled carried out regularly in line with legal responsibilities. Insurance cover see 15	Prepare and implement strategy for managing land & woodland. Undertake training where necessary.

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28	Members Interests	Conflict of Interest	1	1	2 LOW	Councillors have a duty to declare any interest at the start of the meeting & minuted.	Members to let clerk know of any changes. Register updated on website as interest is recorded in Minutes.
29	ASSETS (SEE 29A & B BELOW)	Protection of assets Encroachment Lack of management Lack of councillor knowledge of management/legal responsibilities Reputational damage	2	2	4 MED	Insurance cover (see 15) Instruct specific professional risk assessments in line with legal liabilities Regular inspections to be carried out by councillors Manage in line with legal responsibilities Education on up-to-date management practices	Asset register reviewed & fully updated April 2024 Ongoing training
29A	Llanbadoc Island	Flood risk Damage to fixtures Lack of maintenance of amenity Criminal damage Trees (see woodland below) Reputation damage	3	3	6 HIGH	Regular inspections to be carried out by councillors & experts where appropriate in line with statutory obligations	Adequate insurance cover.

29B	Woodlands	Storm Damage Loss/damage to third parties or to property Inadequate management Lack of councillor knowledge to manage effectively Loss of amenity due to woodland maturity and lack of renewing of tree stock Damage to council reputation	2	2	4 MED	Implement recommendations from professional surveys/expert advice. Carry out regular management of woodland, including encouraging natural regeneration, tree planting.	Cyclical Professional tree surveys. Recommendations to be carried out within stipulated timescale. Disclaimers on website Adequate insurance cover
29C	Little Mill play park	Damage to equipment Party injured whilst using equipment	2	2	4 MED	Carrying out of regular equipment inspections and carrying out maintenance when required Councillors encouraged to undergo inspection training when possible	Maintenance records kept by Clerk.
30	Clerk / Councillor knowledge	Lack of knowledge to carry out council duties & complex projects	1	1	2 LOW	Attend appropriate training sessions. Consult experts on work/projects where appropriate	Keep up to date training record Implement training plan to insure Councillors understand procedures. Available training shared to councillors & reminders on agenda. Clerk to attend training to keep up to date with procedure changes
31	Reputational Damage	Damage to good reputation of council through poor decision	2	2	4 MED	Embed good management practices	Ensure compliance with council core value.

		making/ poor management of assets				Transparent decision making Community engagement	Mitigate risks as far as possible
32	Lone Working	Physical injury/verbal confrontation Clerk/Councillors inspecting Commons Visiting constituents in their homes/community	2	2	4 MED	Where appropriate Councillors to be accompanied by another Councillor or, if not confidential matters, by a trusted person	Informal discussion between Councillors & Clerk