Usk Town Council Risk Assessment 2025-2026

Rating: High /Medium / Low

Risk Identified	**Outcomes**	**Impact/ Consequences**	**Likelihood**	**Measures to Reduce/Control Risk**
<u>Financial</u> Precept inadequate.	Unable to deliver or fully deliver the Council's planned services, activities, and events	HIGH	LOW	1. RFO to present Reconciled Accounts, Receipts and Expenditure, and financial summary at each Council meeting. 2. Council to use a budget to determine Council running costs. 3. Full Council to consider and minute amount of precept needed for the following financial year and amount of reserves required. 4. Annual review of charges
Precept not paid by Monmouthshire County Council.	Unable to deliver or fully deliver the Council's planned services, activities, and events	HIGH	LOW	1. Council to determine precept required at January Council meeting to meet MCC deadline. 2. Clerk to notify MCC of precept request in January, following the Council meeting. 3. Precept to be paid directly to bank account by BACS.
Overspending budget.	Reputational, poor stewardship of public funds, impact on reserves if present,	HIGH	LOW	1. RFO to present Reconciled Accounts, Receipts and Expenditure, and financial summary at each Council meeting. 2. Council to consider expenditure against the budget at each Council meeting. 3. Council to review every item of expenditure .
Losses due to fraud, error, theft or inadequate systems of internal financial control	Reputational, financial loss , inconvenience , additional stress and strain	HIGH	LOW	1 Ensure sound financial instructions and procedures are in place 2 Ensure standing orders are in place 3 Ensure sound systems of internal and audit check, controls and balances are in place 4 Ensure financial records are accurately maintained on a high priority basis

				5 Prepare annual accounts in accordance with the latest regulatory framework 6 Ensure an annual independent internal audit takes place and recommendations are implemented.
Supplier Fraud Risk **The organisation may suffer financial loss or reputational damage due to fraudulent activity involving suppliers. This may include false change of bank detail requests, impersonation of suppliers, misuse of dormant supplier accounts, or manipulation of payment processes.**	• **Financial loss through fraudulent payments** • **Reputational damage** • **Audit qualification or governance concerns** • **Increased insurance costs or uninsured losses**	**HIGH**	**LOW**	**1. Staff Awareness and Training** ○ **Provide update to staff and members on supplier fraud risks, including phishing and impersonation scams.** ○ **Emphasise the risks of disclosing sensitive company information (e.g. contract details, account information) by phone, email, or other communication channels.** **2. Robust Supplier Bank Detail Change Procedure** ○ **Establish and document a formal procedure for any change to supplier bank details and or implementation of new supplier details** ○ **Independently verify any request to change bank details by contacting the supplier using contact details already held on the system (not those provided in the change request).** ○ **Require documented evidence of verification.** ○ **Ensure changes are reviewed and formally authorised by an appropriately senior officer**

Commented [AT1]: Supplier fraud risk was approved at finance committee june 26 but was in place throughout 25-26 financial year

				who has confirmed that verification procedures were completed. **3. Segregation of Duties** - **Separate responsibilities for supplier setup/amendment,, and payment authorisation.** **4. Verification Check** - **Perform checks on new suppliers before onboarding.** - **Sample-test online payments to confirm funds were paid to the correct bank account linked to approved supplier records.** - **Remove dormant suppliers after a year without payment from the online banking portal suppliers list** **5. Insurance Review** - **Review adequacy of insurance cover to determine whether supplier fraud is included.** - **Note that many standard local authority policies do not cover supplier fraud.**
Financial mismanagement.	Reputational, poor stewardship of public funds. Financial decisions	HIGH	LOW	1. RFO to maintain a record of income and expenditure against the agreed budget.

	based on inaccurate information.			1. RFO to present Reconciled Accounts, Receipts and Expenditure, and financial summary at each Council meeting which is then minuted. 2. Council to consider income and expenditure against the budget at each Council meeting which is minuted. 3. Council to approve every item of expenditure and record in minutes. 4. Council to use bank account to make payments. 5. Payments to be made by cheque/BACS and reconciled to bank statements which are presented to each Council meeting. 6. Each cheque to be signed by two signatories to the bank account. 7. Bank statements to be presented to Finance sub- committee at each meeting and signed by the Chairman. 8. No petty cash/monies to be kept outside of the bank account. 9. All Clerk's expenses to be itemised and approved by the Council for payment. 10. Council to consider and approve its Annual Accounts at its AGM, which are minuted. 11. Council to adopt implement and adhere to Standing Orders and Financial Regulations and review on an annual basis.
Security on monies, reserves, and resources	Reputational, Poor management and stewardship of public funds	HIGH	LOW	1. Ensure sound systems are in place for the recording, administration and banking of cash and cheques 2. Undertake a monthly bank reconciliation 3. Ensure monies are banked promptly 4. Provide a secure office 5. Regularly review the inventory of assets 6. Ensure reserves are maintained adhering to the financial regulations
Non-compliance	Non-compliance	MEDIUM	LOW	1.Ensure the Council keeps up to date with all necessary legislation

E.g., PAYE, VAT, Inland Revenue, Data Protection, Health & Safety, Human Rights, Employment Law, Accounts & Audit Regulations, Equality, FOI Act, Welsh Language Scheme	E.g., PAYE, VAT, Inland Revenue, Data Protection, Health & Safety, Human Rights, Employment Law, Accounts & Audit Regulations, Equality, FOI Act, Welsh Language Scheme			2.Use or buy expertise if the necessary expertise is not available in-house 3.Undertake appropriate staff training 4.Take up and/or maintain membership of appropriate bodies such as One Voice Wales, SLCC, Zurich Insurance 5.Keep abreast of 'good practice' guidelines. 6.Review policies
<u>Other Risks</u> Governance		LOW	LOW	1. Council to adopt and implement a statement of Annual Governance, annually. 2. Council to adopt and implement Standing Orders and Financial Regulations, annually. 3. Code of Conduct adopted by Council and implemented. 4. Clerk to provide legal and accurate record of Council proceedings which are reviewed and signed at the subsequent Council meeting.
Document Security.		HIGH	LOW	1. RFO & Clerk to prepare, in conjunction with the Council's appointed Internal Auditor, the annual audit return for Council's approval and submit the Return at the appropriate time. 2. RFO to maintain financial records and present to each Council meeting. 3. Clerk to provide legal and accurate record of Council proceedings which are reviewed and signed at the subsequent Council meeting. 4. Clerk to maintain agenda and minutes and post on noticeboards/website.

				5. Council to engage Internal Auditor to undertake internal audit. 6. Dedicated email account to be used for Council Business.
Assets.		LOW	LOW	1. Council to maintain a register of assets and ensure that sufficient insurance cover is maintained. 2. Council to undertake an Annual Review of Inventory and arrange remedial/maintenance work to assets as required.
Register of Members Interests, Gifts and Hospitality.		LOW	LOW	1. Register of Members Interests to be maintained by Clerk. 2. Declaration of Office to be signed by Members and held on record by Clerk.
Insurance		HIGH	LOW	1. Council to ensure adequate insurance policy in place and maintained against changing circumstances.
GDPR Consideration.		HIGH	LOW	1.Council members & staff to be aware of the legal obligations 2. Update training regularly
Damage to third party property or individuals as a consequence of the Council putting on a Community and Civic Events		MEDIUM	MEDIUM	Health and Safety risk assessments carried out for each event
Sessions House unable to be used as a public building &Town Council Office		MEDIUM	LOW	1.Sessions House Management sub- committee to meet to determine priorities and discuss maintenance of Sessions House 2.Sessions House Manager manages rental and tenants

Signed:

Chairman of Council)

Date: