

TREUDDYN COMMUNITY COUNCIL

FORMAL RISK ASSESSMENT

The following information is updated and assessed from the last formal risk assessment carried out in February 2024. The assessment includes identifying the key risks that the Council is facing, evaluating the consequences of an identified risk-taking place and deciding upon the appropriate action the Council should take to reduce or control the risk. This is addressed partly by review of Insurance, including fidelity, public liability and property.

The Practitioners guide, issued by the National Association of Local Councils and Society of Local Council Clerks and referred to by the Internal Auditor, has sections in relation to risk assessment, which is broken down into three parts.

Areas Where There May Be Scope to Use Insurance to Manage Risk

In relation to Table 1, Areas Where There May Be Scope to use Insurance to Help Manage Risk, the Council has an annual Insurance policy with Hiscox (Gallagher Insurance Brokers). The policy includes mandatory cover in relation to public liability, money, fidelity guarantee, legal expenses and protection for Councillor's against slander. Fidelity has a limit of £100,000.00. Limit of Indemnity £10,000.00

In relation to the internal controls specified in the Practitioners Guide, the following comments are applicable.

- a) The Council holds two accounts with the Natwest Branch at Mold. Two signatories are required for each cheque payment. The signatory Mandate was updated on the 15th July 2024. The Council moved to on-line banking from August 2024. The clerk has full access to the accounts via online, two members have access and to approve payments, one member has no access to on-line banking only as a cheque signatory – a cheque book is still held. All signatories are checked by the bank, and signatures and addresses held. The clerk is also a cheque signatory.
The Council have no investments which would require recording a register. An up to date register of assets is maintained, with figures increased in line with Insurance recommendation, and to be available for the Internal Auditor to inspect.
- b). TCC public benches are inspected with repairs being attended to.
- c) The level of insurance cover for the various sections will be reported to the meeting for the review of risk and adequacy of cover. In future and has been in the past – The Responsible Financial Officer will continue to arrange insurance for it to be reported to the Council on an annual basis.
- d) Arthur Gallagher is the Insurance Brokers for Treuddyn C.C
- e) Disaster Recovery & Business Continuity Risks – the Clerk keeps two copies of all minutes – a) computer memory stick b) Hard copies.
- f) It is the procedure of Flintshire C.C that two signatories are required when returning the precept to FCC.

2 Area Where there May Be Scope to Work With Others to Help Manage Risk

There is little the Council need in relation to this section because they have no vulnerable buildings or amenities.

This council owns play equipment, which requires maintenance. The play equipment in Queen Street is fully insured and maintained by Flintshire County Council, as is the equipment in Coed-Talon playing field and the field itself.

The council owns two defibrillators.

1. Defibrillator located in the building of Hafan Deg. Hafan Deg, Treuddyn, Flintshire, CH7 4LN.
2. Defibrillator placed on the outside wall, School Campus, Ffordd y Llan, Treuddyn, Flintshire, CH7 4LN

The Clerk checks and confirms the status of the defibrillators, information is kept on 'The Circuit' The National Defibrillator Network.

A file is kept with emails received from 'The Circuit' confirming checks have been carried out.

Treuddyn C.C purchase pads when they require replacement.

The Council does not provide services under agency or partnership agreements: there is no borrowing or lending in relation to banking arrangements. No ad-hoc provision of amenities/facilities for events of local community groups. No markets management, vehicle or equipment lease or hire, or trading units.

In relation to professional services, there is only the appointment of Internal and External Auditors as a consequence of the audit regime. The Council may occasionally consult a Solicitor.

In relation to internal control, the Council does have Standing Orders, which is the model prepared by the National Association of Local Councils.

3. Areas Where There May Be a Need to Self Manage Risk

The receipts and payments register is used to enter all income and expenditure. Activities undertaken are within the legal powers applicable, including employment law and custom and excise regulations. The Council have not undertaken any borrowings. The council aide and support the Clerk, ensuring the controls are robust for the future of Treuddyn Community Council.

Applications for financial assistance (Section 137 – Expenditure) must be written format within the allocations agreed for local and other organizations. These are closely monitored by the Clerk as RFO and the Council.

All deliberations and decisions at a Council meeting are recorded in the minutes, with those minutes then being reported to the next meeting for confirmation as a correct record and signed by the chairman.

The issuing of a Natwest Bank cheque on behalf of Treudyn Community Council, that has been approved at the Council meeting is correctly minuted – requires two signatories to authorize the cheque, the cheque stub is also signed by the two signatories signing each cheque.

Online Banking invoice payments. The clerk presents at each meeting the invoices for payment to be authorized by the council and signed off by two signatories.

Electors and press are free to attend any Council meeting. The first ten minutes are solely open for public discussion of every meeting: The public are also afforded the right of inspecting accounts and associated papers in accordance with statutory requirements at the time of external audit.

No photocopying charges are made for reasonable requests.

In relation to the procedure for awarding contracts, three quotations will be obtained for contracts and purchases over the de-minimise value of £4000.00.

The Lighting Maintenance contract was awarded to Flintshire County Council on the 01/04/23 to 31/03/2026

There will be regular bank reconciliations undertaken by the Responsible Financial Officer.

Consultations, whether statutory or optional, from other organisations e.g National Assembly of Wales, Flintshire County Council and One Voice Wales are reported to the Council to enable consideration of a response by the notified timetable.

Members are given the opportunity to ‘Declare any Personnel Interest’ at every meeting. The Clerk holds the relevant forms and a register of declarations made by members.

In relation to internal controls the following comments are applicable: -

- a) Financial records are subject to both independent internal and external audit. The Council approves all expenditure beforehand or where appropriate by the Chair and Vice Chair, and the Clerk as RFO, using agreed delegated powers e.g. recess month of August and reported to the Council at the next meeting for record purposes.
- b) All expenditure, whether it be accounts for payments, application for financial assistance, or other items are properly recorded in the minutes, with the Clerk advising the Council when section 137 powers must be utilized, such as with applications for financial assistance.
- c) There is only one member of paid staff.
- d) In view of the relatively small amount of VAT to be reclaimed, the Clerk RFO does this on an annual basis, at the end of the financial year.

- e) In addition, to a detailed report in the December/January meeting in relation to estimates to enable the Precept to be set for the next financial year, the Council also receives updates on income expenditure, along with bank accounts details.
- f) All minutes are properly numbered, with pages also numbered and signed at the subsequent meeting, by the Chair as a correct record. Then in due course when the ledgers are filled, they are deposited on permanent loan at the County records Office, Hawarden.
- g) Any letters or telephone calls received by the Clerk from the public are responded to within five working days. If the matter requires to be reported to the Council for a decision, then a full response will be given within ten working days of that meeting.
- h) All requests for comments and consultation are reported to the Council, this is to determine a response, or to the Chair and Vice Chair in the event of the response being before an available Council meeting and reported to the subsequent Council meeting.
- i) The Clerk is responsible for the receipt of any correspondence, arranging circulation to the Council or specified members of the Council, as appropriate. This is to be done as soon as practicable, responding to the issues raised on behalf of the Council and ensuring that the enquiry and response are placed in the appropriate file for future record purposes.
- J. The Council have adopted a Code of Conduct under the Local Government Act, 2000 and signed the appropriate declaration within the statutory timetable. The updated version Adopted by Resolution of the Community Council on 11th May 2016. The Local Authorities (Model Code of Conduct) (Wales) Order 2008.
- k) Model Scheme of Freedom of Information. Which came into effect on 1st January 2009 has been formally adopted.
- l) The Council apply for Matchfunding
- m) TCC have put in place a covering email preparing for the introduction of the new Data Protection Regulation (replacing the data Protect Act from May 2018)

4. Supplier (Procurement) fraud including the adequacy of supplier onboarding controls.

The following prevention controls will help manage the risks to prevent this type of fraud.

- training for staff to alert them to the potential risks of providing sensitive company information, by phone or other means, especially contract and account information.
- establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change
- periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments.
- checking address and financial health details with Companies House
- checking samples of online payments to supplier invoices to ensure the payment has been made to the supplier bank account

- adequacy of insurance cover (NB most standard parish council policies do not cover supplier fraud).
- Awareness of whether the Council's bank uses 'Confirmation of payee' when making online payments.

5. Recommendations

- a) That consideration of this report is accepted as the Annual Review of the effectiveness of internal controls for 2025/26 and that this is undertaken on an annual basis.
- b) That in relation to the key risks, these be identified as relating to the Council's assets, bank accounts, internal financial controls and insurance cover for statutory and other purposes.
- c) That the following arrangements taken to minimize risks continue to be placed on the agenda, to be reviewed and assessed: -

The Annual Risk Assessment of Assets.

1. Financial Regulations are reviewed annually
2. The Code of Conduct
3. The Standing Orders
4. Bank Account Signatories
5. Investment Strategy
6. Governance

Carolyn J. Thomas
Clerk & Responsible Financial Officer
February 18th 2025