

PONTHIR COMMUNITY COUNCIL

FINANCIAL & GOVERNANCE RISK ASSESSMENT 2026-27

Adopted by Council on June 8th 2026

Risk Level

1-5 = Low (Green)

6-10 = Medium (Amber)

11-15 = High (Red)

16-25 = Very High (Dark Red)

Legend

Consequence (C): 1-5

Likelihood (L): 1-5

Score (C×L):

MANAGEMENT & GOVERNANCE

Area	Risk	C	L	Score	Risk Level	Existing Controls	Further Action / Review
Management	Illegal activity or payment	4	2	8	Medium	Legal advice from OVV & TCBC; decisions minuted; insurance in place	Review Standing Orders & Financial Regulations annually
Management	Unlawful action by Clerk	4	1	4	Low	OVV membership; Fidelity Guarantee insurance	Ongoing Clerk training & annual appraisal
Governance	Inaccurate or non-compliant minutes/agendas	3	2	6	Medium	Minutes produced legally; approved next meeting	Chair spot checks
Governance	Minutes not issued on time	2	1	2	Low	Minutes approved next meeting	Review workload if delays occur
Records	Loss of records preventing business continuity	4	1	4	Low	Electronic records stored on OneDrive; secure paper storage	Annual backup/recovery test
Code of Conduct	Conflict of interest / breach	3	2	6	Medium	Standing agenda item; declarations recorded	Mandatory Code of Conduct training
GDPR	Non-compliance leading to fines	4	2	8	Medium	ICO updates; OVV training; privacy notices	Annual GDPR review

FINANCIAL MANAGEMENT

Area	Risk	C	L	Score	Risk Level	Existing Controls	Further Action / Review
Finance	Public liability risk	4	2	8	Medium	Annual insurance review	Event specific risk assessments
Finance	Employer liability / HR non-compliance	4	2	8	Medium	Employer's Liability insurance; pension compliance	Annual HR review
Finance	Precept not claimed / insufficient funds	4	1	4	Low	Annual budget; TCBC notified; monthly monitoring	Maintain reserves at 4-6 months expenditure
Finance	Insurance cover inadequate	4	2	8	Medium	Annual insurance review	Cross-check with asset register
Finance	Banking inaccuracy or fraud	4	2	8	Medium	Financial Regulations; monthly bank reconciliation; dual authorisation	Internal audit sampling
Finance	Section 137 non-compliance	3	1	3	Low	Compliance with LGA 1972 s137	Record statutory power for each payment
Finance	VAT not recorded or reclaimed	3	2	6	Medium	VAT recorded and reclaimed annually	Quarterly VAT checks
Finance	Cash loss / theft	3	1	3	Low	No petty cash held	Two-person check for any cash collections
Finance	Election costs not met	3	2	6	Medium	Earmarked reserves	Review reserve level annually
Finance	Incorrect salary paid	3	2	6	Medium	HMRC compliance via SLA	Annual pay review
Finance	Annual return late	3	1	3	Low	Completed promptly; WAO guidance followed	Annual audit timetable

RESERVES, ASSETS & PROCUREMENT

Area	Risk	C	L	Score	Risk Level	Existing Controls	Further Action / Review
Reserves	Inadequate reserves	4	2	8	Medium	Reserves Policy; annual review	Link reserves to project plans
Assets	Asset register incomplete	4	2	8	Medium	Annual update; insurance cross-check	Add maintenance schedule
Assets	Injury/damage from assets	4	2	8	Medium	Regular inspections; insurance	Maintain inspection log
Procurement	Non-compliant procurement	4	2	8	Medium	Financial Regulations; quotes obtained	Create contract register

INFORMATION, CYBER & IT

Area	Risk	C	L	Score	Risk Level	Existing Controls	Further Action / Review
Cyber	Website hacked	3	2	6	Medium	Specialist hosting	Ensure updates & backups
Cyber	E?mails hacked/corrupted	4	2	8	Medium	Specialist hosting; ICT support	MFA, password policy, phishing awareness
Information	Poor document security	3	2	6	Medium	Retention policy; OneDrive access control	Annual review of retention schedule

COMMUNITY & GRANTS

Area	Risk	C	L	Score	Risk Level	Existing Controls	Further Action / Review
Grants	Non?compliance with grants policy	3	2	6	Medium	Grants Policy; decisions minuted	Annual review of policy
Community	Failure to consult or communicate	2	2	4	Low	Website, noticeboards, social media	Annual communications review