CYNGOR CYMUNED DINAS POWYS COMMUNITY COUNCIL

FINANCIAL RISK MANAGEMENT

This policy is intended to assist the council to put this commitment into practice. Compliance
with this policy should also ensure that all staff and Members have a duty to abide by the highest standards of probity in dealing with financial issues.

Re -Approved by Full Council – Date: TBC..

1. Definition of Risk Management

1.1 Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successful execute its strategies. Risk management is the process by which risks are identified. Evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

2. Risk Policy Statement

2.1 Dinas Powys Community Council, hereafter referred to as DPCC recognise that it has a responsibility to manage risks effectively in order to protect its Councillors, assets, liabilities and the community against potential losses, to minimise uncertainly in achieving its goals and objections and to maximise its opportunities.

2.2 The Council are aware that some risks can never be eliminated fully and we have tried to ensure we have a strategy that provided a structured, systematic and focussed approach to managing risk.

3. Approach to Risk Management

3.1 The DPCC's approach to risk management is that we should try to identify and manage risks in the most effective manner overall resources available.

3.2 Each risk identified by the council is record in DPCC risk assessment document. The impact is assessed; control measures we feel to be appropriate are in put in place together with the frequency with which the risk should be reviewed.

4. Responsibility for Risk Management

4.1 DPCC recognises that it is the responsibility of all councillors and all staff as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in drain on resources that could better be directed to front line service provision and to the meeting of DPCC's objectives and community needs.

4.2 This policy has the full support of DPCC which recognises that any reduction in the risk of injury, illness, loss or damage benefits the whole community. From recent experience, we already know that the Councils responsibility cannot be taken lightly and areas like succession planning are critical.

4.3 The co-operation and commitment of all members of DPCC and their employees is required to ensure that council resources are not wasted as a result of uncontrolled risk.

4.4 DPCC is responsible for ensuring that this procedure is adhered to.

Policy and Risk Assessment will be reviewed annually in line with the Standing Order Calendar

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Area of Possible Risk	Action taken to counteract
Invoices	Issued for all Dinas Powys Community Council, Parish and Lee Halls bookings, and Interment Fees. Allotment Payments outlined in letter of acceptance and or annual tenancy agreement fees. Memorial Fees -receipt issued only once Licence to Erect a Memorial has been approved
Receipts	A receipt is issued for all payments received.
Record of all 'paying in'	All incoming payments received are entered onto an "Income" Spreadsheet and monies paid into the Bank on a monthly basis
Monies	All monies/bank books/bank statements are locked away in the fire proof safe overnight.
Petty cash	A record of all transactions maintained in the 'Petty Cash' Book
Cheques	All cheques issued are signed by two Councillors or one Councillor and the Clerk as named on the Bank Mandate.
BACS payments	All BACS Payments are signed by one Councillor from those authorised signatories on the Bank Mandate
BACS Receipts	BACS receipts are made against numbered invoices and receipts in order to maintain a clear audit trail
Bookings	A separate Parish Hall and Lee Hall diary is held which records all Hall Bookings. Invoices and receipts are raised against each booking and this clearly shows the invoice and receipt numbers in order to maintain a clear audit trail.
Invoices for works	Once paid, cheque numbers and date paid are written clearly on each invoice. (and or date of payment via BACS). All expenditure is recorded on an 'Expenditure' spreadsheet.
Payments	All expenditure payments are presented to Council on a Monthly basis.
Cash Flow	A Cash Flow Chart is produced for the Finance and GP Committee Meeting which details the income, expenditure, variances and bank balances. There are approximately 7 meetings held during a year.
Value Added Tax	VAT claim to be submitted on a quarterly basis if practical (but no later than on a yearly basis). Copies of each claim made are kept and details recorded 'Income' spreadsheet.
Budgets	Prepared by the Chair of Finance and the Responsible Financial Officer and presented to the Meeting of the Finance Committee in January. These are then ratified by Full Council at the end of January.
Debtors:	Invoices are examined monthly and a record is kept of any overdue payments. All outstanding payments are actioned immediately.
Fees:	All fees charged are reviewed annually – initially by the relevant Committee, then Finance Committee and then ratified by Full Council.
Insurances	The buildings and contents are insured with Hiscox Insurance Company through (AJG Community Schemes) Arthur J Gallagher Insurance Brokers Ltd . The policy includes: Public Liability Insurance, the limit is £10,000,000 in any one loss Employers Liability Insurance, the limit is £10,000,000 in any one claim Fraud & Dishonesty of £185,000. The Tractor is insured by MS Amlin Insurance
Reporting and Auditing	A monitoring statement is produced every month and checked by the appropriate member of Council. Expenditures and income report is then included on the agenda, discussed and approved at the Finance Committee meeting

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