

ITEM 18 Appendix 5 TODMORDEN TOWN COUNCIL FINANCIAL RISK REGISTER

Updated Feb 2021

Date : March 2021 - review March 2022

| Produced by:-Colin Hill Town Clerk/RFO. | | | | | | | | | | | | | | | | | |
|---|---------------------------------------|--|--------------------|--|--|--------|--|---|------------|--|---|------------|--|--|----|--|--|
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed | | | Tolerance Level of Risk (H) | | | What controls are to be implemented | | | | | | |
| 1 | Banking | Failure of bank | | | Fidelity Guarantee insurance £500k . Yorkshire mainstream bank | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Yorkshire is a strong bank (Part of Clydesdale bank / Virgin money Uk) in terms of financial assets and independent of govt support. Fitch BBB+ (watch) Moody's Baa3 (stable) | | | To place surplus funds with other investment options as per Treasury Management Policy Date for Completion (L) Ongoing Target Risk (M) | | | | | | |
| | Category | | | | | | | | | | | | | | | | |
| | Financial | | | | | | | | | | | | | | | | |
| | Owner | | | | | | | | | | | | | | | | |
| | C.Hill | | | | | | | | | | | | | | | | |
| Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Impact | | | Likelihood | | | Risk Score | | | | | |
| 5 | | | 4 | | | 20 | | | 5 | | | 2 | | | 10 | | |
| 3 | | | 2 | | | 6 | | | | | | | | | | | |
| 2 | Financial controls and records | No controls in place at all from a point of view of financial and operational risk. | | | Internal controls document with a full suite of controls and measures to reduce risk of poor governance | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Controls introduced in March 2020 - ongoing embedding | | | Quarterly random sampling to vheck contols in place by Committee representative Date for Completion (L) Ongoing procedure. Target Risk (M) | | | | | | |
| | Category | | | | | | | | | | | | | | | | |
| | Financial | | | | | | | | | | | | | | | | |
| | Owner | | | | | | | | | | | | | | | | |
| | C.Hill | | | | | | | | | | | | | | | | |
| Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Impact | | | Likelihood | | | Risk Score | | | | | |
| 4 | | | 4 | | | 16 | | | 4 | | | 2 | | | 8 | | |
| 3 | | | 2 | | | 6 | | | | | | | | | | | |
| 3 | Approval of Expenditure | No controls to ensure expenditure is within limits and or for correct purpose | | | Financial Regulations standing orders and internal controls plus monthly overall reporting to Council | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Current processes involve regular checking of financial position plus internal audit sign off | | | More frequent random sampling of financial controls to reduce risk of any adverse issues being undetected Date for Completion (L) Ongoing Target Risk (M) | | | | | | |
| | Category | | | | | | | | | | | | | | | | |
| | Financial | | | | | | | | | | | | | | | | |
| | Owner | | | | | | | | | | | | | | | | |
| | C.Hill | | | | | | | | | | | | | | | | |
| Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Impact | | | Likelihood | | | Risk Score | | | | | |
| 4 | | | 4 | | | 16 | | | 3 | | | 3 | | | 9 | | |
| 2 | | | 2 | | | 4 | | | | | | | | | | | |
| 4 | Spend over budget | No limits or control over expenditure or process of budget monitoring. | | | Omega accounting system used to post orders to crate commitments . System does allow,overspend to budget but Monthly summary of position enables some degree of awareness plus detailed reports to Resources. | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? | | | More frequent random sampling of purchase orders to reduce risk of any adverse issues being undetected Date for Completion (L) ongoing Target Risk (M) | | | | | | |
| | Category | | | | | | | | | | | | | | | | |
| | Financial | | | | | | | | | | | | | | | | |
| | Owner | | | | | | | | | | | | | | | | |
| | C.Hill | | | | | | | | | | | | | | | | |
| Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Impact | | | Likelihood | | | Risk Score | | | | | |
| 4 | | | 4 | | | 16 | | | 3 | | | 2 | | | 6 | | |
| 2 | | | 2 | | | 4 | | | | | | | | | | | |
| 5 | Investments | Unauthorised placement of funds with disreputable or high risk vehicles | | | Reserves and Treasury Management Policy to ensure safe and reliable investments made. Detailing of Bank Balances held as part of monthly summary | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Decision to invest in different vehicles requires approval of Resources Committee. Additional investment in Fielden Acre Share offer £3k -specific financial risk assessment completed. | | | More frequent random sampling of investment account balances to reduce risk of any adverse issues being undetected Date for Completion (L) ongoing Target Risk (M) | | | | | | |
| | Category | | | | | | | | | | | | | | | | |
| | Financial | | | | | | | | | | | | | | | | |
| | Owner | | | | | | | | | | | | | | | | |
| | C.Hill | | | | | | | | | | | | | | | | |
| Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Impact | | | Likelihood | | | Risk Score | | | | | |
| 5 | | | 4 | | | 20 | | | 3 | | | 3 | | | 9 | | |
| 3 | | | 2 | | | 6 | | | | | | | | | | | |
| No. | Borrowings | Unauthorised borrowing takes place or excessive borrowing placing financial | | | PWLb requires Agreement of LALC before Secretary of State approval. | | | Level of Risk acceptable? Y/N Yes | | | Gearing ratio could be introduced to limit any borrowing to percentage of overall reserves or | | | | | | |

| | | | | | | | | | | | | | |
|--------|---------------------------------------|--|------------|------------|---|------------|------------|---|------------|------------|--|--|--|
| 6 | Category | burden on council | | | | | | Why have you drawn this conclusion? Application signed by chairman and council resolutions provided. | | | repayment plus interest to level of expenditure. | | |
| | Financial | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Date for Completion (L) | | | On Going | | |
| | Owner | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Target Risk (M) | | | | | |
| | C.Hill | 5 | 4 | 20 | 3 | 3 | 9 | 3 | 2 | 6 | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | |
| 7 | Cash management | No control is exercised over the operation of the bank account with all monies received left on current account, providing greater opportunity and threat to misappropriate and not maximise interest bearing opportunity. | | | Weekly scrutiny of bank accounts and monies moved to investment opportunity, secure Id to access internet bank account and debit cards locked away if not in use. | | | Level of Risk acceptable? Y/N Yes | | | No change proposed | | |
| | Category | | | | | | | Why have you drawn this conclusion? Cash Management account established to reduce need to carry excessive balances in current account, thereby reducing opportunity for fraud. | | | Date for Completion (L) | | |
| | Financial | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | ongoing | | | Target Risk (M) | | |
| | Owner | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | |
| C.Hill | 5 | 3 | 15 | 3 | 2 | 6 | 2 | 2 | 4 | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | |
| 8 | Accessibility to funds | Precept is not claimed for payment to council and or existing funds and Reserves are used up leading to inability to pay bills. | | | Precept call is part of annual budgeting process and when issued checked for receipt by paying authority. Precept checked into bank account early April .Budget monitoring to prevent overspend and where agreed for additional spend by Full Council then within overall Reserves Policy | | | Level of Risk acceptable? Y/N Yes | | | No change proposed | | |
| | Category | | | | | | | Why have you drawn this conclusion? Internal controls effective | | | Date for Completion (L) | | |
| | Financial | Inherent/Fundamental Risk (E) | | | Insurance cover - Vandalism Bus | | | ongoing | | | Target Risk (M) | | |
| | Owner | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | |
| C.Hill | 4 | 3 | 12 | 3 | 2 | 6 | 3 | 1 | 3 | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | |
| 9 | Adequacy of Precept | Inadequacy of existing funds to carry our committed obligations and for carrying out statutory duties. | | | Three year forecast produced and agreed before establishing following years precept call.Detail allocated through budget headings and specific budget codes and ongoing monitoring to ensure close control and no overspend to overall budget | | | Level of Risk acceptable? Y/N Yes | | | Continuing monitoring of budgets and cash position | | |
| | Category | | | | | | | Why have you drawn this conclusion? No history of overall overspend. | | | Date for Completion (L) | | |
| | Financial | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | On Going | | | Target Risk (M) | | |
| | Owner | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | |
| C.Hill | 4 | 4 | 16 | 3 | 2 | 6 | 2 | 1 | 2 | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | |
| 10 | Reserves | Insufficient Reserves available to meet known commitment and unplanned major costs. | | | Reserves and Treasury Management Policy. Establishment of defined Reserver plus monitoring of revenues forecast year end position against overall % limit of expenditure - currently set at 35%. | | | Level of Risk acceptable? Y/N Yes | | | Increasing percentage of General Reserves to expenditure above 35% | | |
| | Category | | | | | | | Why have you drawn this conclusion? Regular monitoring of budget and bank balances and year end forecasting of general reserves. | | | Date for Completion (L) | | |
| | Financial | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Ongoing | | | Target Risk (M) | | |
| | Owner | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | |
| C.Hill | 5 | 3 | 15 | 3 | 2 | 6 | 2 | 2 | 4 | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | |
| 11 | Bank Reconciliations | Inadequate check and bank errors | | | Monthly reconciliations take place by RFO and External accountancy support and quarterly overview by FES committee. | | | Level of Risk acceptable? Y/N Yes | | | No change to existing proposed | | |
| | Category | | | | | | | Why have you drawn this conclusion? Existing systems and protocols are followed without exception. | | | Date for Completion (L) | | |
| | Financial | | | | | | | ongoing | | | | | |

| No. | Risk, Category & Owner (A), (C) & (D) | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Target Risk (M) | | |
|--------|---|---|------------|------------|--|------------|------------|--------------------------------|------------|------------|
| | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| 12 | Payments Category: Financial | Goods not supplied but not invoiced. Invoices incorrect. Invoices unpaid. Unauthorised payments made. | | | Separation of duties as per internal controls. All invoices checked for accuracy and receipt of goods before payment. List of payments made presented to council each month | | | No change to existing proposed | | |
| | | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | |
| | | Level of Risk acceptable? Y/N | | | Why have you drawn this conclusion? | | | Date for Completion (L) | | |
| | | Yes | | | No adverse history. Procedures as per internal controls in place. | | | ongoing | | |
| Owner | | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Target Risk (M) | | |
| C.Hill | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | 4 | 4 | 16 | 3 | 2 | 6 | 3 | 2 | 6 |
| 13 | Expenses Category: Financial | Incorrect claiming of expenses by staff and or Members | | | All expenses claimed are signed off by line manager and or Member for TC | | | No change to existing proposed | | |
| | | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | |
| | | Level of Risk acceptable? Y/N | | | Why have you drawn this conclusion? | | | Date for Completion (L) | | |
| | | Yes | | | Process ensures independent view of legitimacy of claim being made. | | | ongoing | | |
| Owner | | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Target Risk (M) | | |
| C.Hill | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | 3 | 3 | 9 | 3 | 2 | 6 | 3 | 2 | 6 |
| 14 | Payroll/Salaries/Pension Category: Financial | Incorrect payments to staff and HMRC and Pension provider. Failure of payroll provider to run payroll. | | | External accountancy service runs payroll after seeing evidence off staff contracts and receipt of monthly email to confirm any additional payments re overtime/buy out of toil. Access to HMRC payroll account to ensure reconciliation. In house capability if required via advice from HR provider. | | | No change to existing proposed | | |
| | | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | |
| | | Level of Risk acceptable? Y/N | | | Why have you drawn this conclusion? | | | Date for Completion (L) | | |
| | | Yes | | | Accountant Fidelity Insurance and use of qualified Accountant to process plus reconcile. | | | ongoing | | |
| Owner | | Inherent/Fundamental Risk (E) | | | # | | | Target Risk (M) | | |
| C.Hill | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | 4 | 3 | 12 | 3 | 2 | 6 | 2 | 2 | 4 |
| 15 | VAT criteria Category: Financial | Movement in terms of income generation leads to change from Section 126 basis claim to normal vat status and vat not claimed where it should have been leading to clawback claim from HMRC. | | | Quarterly Vat return submitted. | | | No change to existing proposed | | |
| | | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | |
| | | Level of Risk acceptable? Y/N | | | Why have you drawn this conclusion? | | | Date for Completion (L) | | |
| | | Yes | | | On line process and Payment of Vat claims | | | ongoing | | |
| Owner | | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Target Risk (M) | | |
| C.Hill | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | 3 | 3 | 9 | 3 | 2 | 6 | 3 | 1 | 3 |
| 16 | Vat not processed Category: Financial | Returns are not processed and Vat is not claimed back. | | | Quarterly returns processed. Balance sheet presented to FES each quarter to identify outstanding vat element | | | No change to existing proposed | | |
| | | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | |
| | | Level of Risk acceptable? Y/N | | | Why have you drawn this conclusion? | | | Date for Completion (L) | | |
| | | Yes | | | No history of not processing vat returns. | | | Ongoing | | |
| Owner | | Inherent/Fundamental Risk (E) | | | Residual/Remaining | | | Target Risk (M) | | |
| C.Hill | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | 4 | 3 | 12 | 3 | 2 | 6 | 3 | 2 | 6 |

| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | How the risk is managed at present (F) | Tolerance Level of Risk (H) | What controls are to be implemented (K) |
|-----|---|--|---|--|---|
| 17 | PAYE/NI not collected and paid over | Incorrect payments to HMRC .Failure to external accountancy service to run payroll. | External accountancy service runs payroll and advises of payments to be made to HMRC/NI.Access to HMRC payroll account to ensure reconciliation.Access to HMRC payroll account to ensure reconciliation. In house capability if required via advice from HR provider. | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? No history of not processing payroll returns and could if necessary run internally. | Quarterly review of HMRC records. |
| | Category | | | | Date for Completion (L) ongoing |
| | Financial | | | | Target Risk (M) |
| | Owner C.Hill | Inherent/Fundamental Risk (E) Impact Likelihood Risk Score 4 3 12 | Residual/Remaining Impact Likelihood Risk Score 3 2 6 | | Impact Likelihood Risk Score 3 1 3 |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | How the risk is managed at present (F) | Tolerance Level of Risk (H) | What controls are to be implemented (K) |
| 18 | Petty /Cash | No control over use of petty cash.Payments not accounted for and or loss though dishonesty. | Low value of petty cash availability.Reconciled monthly.all payment supported by relevant paperwork/receipts | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Balancing of Petty Cash | No change to existing proposed |
| | Category | | | | Date for Completion (L) Ongoing |
| | Financial | | | | Target Risk (M) |
| | Owner C.Hill | Inherent/Fundamental Risk (E) Impact Likelihood Risk Score 3 3 9 | Residual/Remaining Impact Likelihood Risk Score 2 2 4 | | Impact Likelihood Risk Score 2 2 4 |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | How the risk is managed at present (F) | Tolerance Level of Risk (H) | What controls are to be implemented (K) |
| 19 | Cheque books/Internet Banking | Loss of cheques/fraudulent use | Cheque books locked up in safe.Payments made by internet/bacs.Signing instructions on accounts require two signatories. Bank account viewed at least weekly if not more frequent. | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? No evidence of cheque book misuse. | Internet banking only with restricted password access |
| | Category | | | | Date for Completion (L) Ongoing |
| | Financial | | | | Target Risk (M) |
| | Owner C.Hill | Inherent/Fundamental Risk (E) Impact Likelihood Risk Score 4 3 12 | Residual/Remaining Impact Likelihood Risk Score 2 3 6 | | Impact Likelihood Risk Score 3 2 6 |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | How the risk is managed at present (F) | No cheques used following swith to Internet Banking | What controls are to be implemented (K) |
| 20 | Transparency of Grants and correct payments made | Grants awarded without member agreement, control over amount awarded, and for purposes not supported by Council - ultra vires. | Grants policy and criteria, member agreement. | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? No unauthorised award of grants. | No change to existing proposed |
| | Category | | | | Date for Completion (L) Ongoing |
| | Financial | | | | Target Risk (M) |
| | Owner C.Hill | Inherent/Fundamental Risk (E) Impact Likelihood Risk Score 5 4 20 | Direct budget mgt Impact Likelihood Risk Score 3 2 6 | | Impact Likelihood Risk Score 3 2 6 |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | How the risk is managed at present (F) | Tolerance Level of Risk (H) | What controls are to be implemented (K) |
| 21 | Year-end close down procedure | Year end accounts are not closed down properly leading to incorrect balances forming part of annual return and the councils financial position not reconciled and accurately reported. | Schedule of accounts closedown prepared annually to enable process to be followed. Checks made by accountant to ensure accounting entries processed for year end carry overs of debtors,creditors etc and that all balances are reconciled. | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Suuccessful close down of accounts performed by External Accountants and RFO verified by internal and external audit reports. | No change to existing proposed |
| | Category | | | | Date for Completion (L) Ongoing |
| | Financial | | | | Target Risk (M) |
| | Owner C.Hill | Inherent/Fundamental Risk (E) Impact Likelihood Risk Score 4 3 12 | Direct budget mgt Impact Likelihood Risk Score 3 2 6 | | Impact Likelihood Risk Score 3 2 6 |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | How the risk is managed at present (F) | Tolerance Level of Risk (H) | What controls are to be implemented (K) |
| | Annual Return | The AGR is not completed correctly and or not submitted to council to agree or to internal auditor and external auditors in | Arrangements made with internal auditor to submit and to Full Council for Chairmans approval. | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? | No change to existing proposed |

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|-----|---------------------------------------|--|------------|------------|--|------------|------------|---|------------|------------|---|--|--|--|--|--|
| 22 | Category | time leading to adverse auditor comment and government intervention | | | | | | Historical submission of returns | | | Date for Completion (L) | | | | | |
| | Financial | | | | | | | | | | Ongoing | | | | | |
| | Owner | Inherent/Fundamental Risk (E) | | | Direct budget mgt | | | Target Risk (M) | | | | | | | | |
| | C.Hill | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | | | | |
| 23 | Fraud | Inadequate checks relating to any aspects of financial involvement and no controls exercised over payments. | | | | | | Fidelity Guarantee insurance £1million. The Council has internal controls, financial regulations, standing orders, regular bank reconciliation, separation of duties and financial risk register as guidance to ensure all financial aspects are carefully managed. | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? | | | No change to existing proposed | | |
| | Category | Financial | | | | | | | | | Date for Completion (L) | | | | | |
| | Owner | Inherent/Fundamental Risk (E) | | | Direct budget mgt | | | Target Risk (M) | | | | | | | | |
| | C.Hill | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | | | | |
| 24 | Election Costs | Insufficient Financial provision to meet the cost of elections | | | | | | Cost is not significant in relation to overall budget if unplanned election called through declaring of vacancy. | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? History indicates infrequent vacancy declaration. | | | Creation and or review of existing Earmarked Reserve to budget over a four year period for all out election costs of circa £20k. | | |
| | Category | Financial | | | | | | | | | Date for Completion (L) | | | | | |
| | Owner | Inherent/Fundamental Risk (E) | | | Direct budget mgt | | | Target Risk (M) | | | | | | | | |
| | C.Hill | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | | | | |
| 25 | Tender Process | Work awarded inappropriately and subject to officer/member influence. Best value not obtained, procedures not followed for significant contracts, Fraud. | | | | | | Standing orders correctly followed, financial regulations, limits applied and schemes of delegation observed. Tender documentation issued, Member and RFO/TC open tenders and contracts awarded after quality/price assessment. Tenders advertised on web site and contract finder. | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? compliance with Standing Orders and Financial Regulations. No challenges received to Tender outcomes and transparent process followed. | | | No change to existing proposed | | |
| | Category | Financial | | | | | | | | | Date for Completion (L) | | | | | |
| | Owner | Inherent/Fundamental Risk (E) | | | Direct budget mgt | | | Target Risk (M) | | | | | | | | |
| | C.Hill | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | | | | |
| 26 | Value for money | No seeking of quotes and award of business without transparency and or assessment of value for money made. | | | | | | Use of Standing Orders and Financial Regulations and Scheme of Delegation to determine need for quotations to be sought. Historical records to compare and higher value items via tender process. | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Tenders for larger contracts. Quotations sought and historical records checked for pricing comparison where appropriate. | | | No change to existing proposed | | |
| | Category | Financial | | | | | | | | | Date for Completion (L) | | | | | |
| | Owner | Inherent/Fundamental Risk (E) | | | Direct budget mgt | | | Target Risk (M) | | | | | | | | |
| | C.Hill | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | | | | |
| No. | Risk, Category & Owner (A), (C) & (D) | Scope of the risk & Comments (B) | | | How the risk is managed at present (F) | | | Tolerance Level of Risk (H) | | | What controls are to be implemented (K) | | | | | |
| 27 | Failure of Outsourced Contractor | Failure leads to projects being cancelled or delayed with financial consequences | | | | | | Use of approved or recognised contractors in their field supported by references. | | | Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Majority of contracts are low value and use of recommended contractors. Higher value contracts use recommended from CMBC off their approved supplier list and or tendered process. | | | high value contracts could require performance bonds backed by banks. | | |
| | Category | Financial | | | | | | | | | Date for Completion (L) | | | | | |
| | Owner | Inherent/Fundamental Risk (E) | | | Direct budget mgt | | | Target Risk (M) | | | | | | | | |
| | C.Hill | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score | | | | | | |

| No. | Risk, Category & Owner (A), (C) & (D) | 5 | 4 | 20 | 5 | 3 | 15 | 3 | 2 | 6 | | | | | | | | | |
|-----|---|---|---|----|---|---|----|--|---|---|---|--|--|-------------------------------|------------|-------------------|--------|------------|------------|
| 28 | Inadequate insurance cover | Scope of the risk & Comments (B) Insufficient cover to meet P/L claims and or loss through theft and or Employment Tribunal | | | How the risk is managed at present (F) Use of industry standard provider Zurich .Cover scheduled to council annually. | | | Tolerance Level of Risk (H) Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? Adequate cover in place - reviewed by internal audit. | | | What controls are to be implemented (K) Regular review of asset values Date for Completion (L) Ongoing Target Risk (M) Impact Likelihood Risk Score 3 2 6 | | | | | | | | |
| | Category | | | | | | | | | | | | | Financial | | | | | |
| | Owner | | | | | | | | | | | | | Inherent/Fundamental Risk (E) | | Direct budget mgt | | | |
| | C.Hill | | | | | | | | | | | | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | | | | | | | | | | | | | 5 | 3 | 15 | 5 | 2 | 10 |
| 29 | Loss of financial records | Scope of the risk & Comments (B) Failure to retain records could lead to censure and administration withdrawn. HMRC penalties. Reputational impact. | | | How the risk is managed at present (F) Accounting records are system based and backed up. Invoices are paper based | | | Tolerance Level of Risk (H) Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? no record of loss of records. Paper records kept in locked cabinet but susceptible to fire and theft. IT system backed up | | | What controls are to be implemented (K) Consideration to scan copies Date for Completion (L) Ongoing Target Risk (M) Impact Likelihood Risk Score 3 2 6 | | | | | | | | |
| | Category | | | | | | | | | | | | | Financial | | | | | |
| | Owner | | | | | | | | | | | | | Inherent/Fundamental Risk (E) | | Direct budget mgt | | | |
| | C.Hill | | | | | | | | | | | | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | | | | | | | | | | | | | 5 | 3 | 15 | 3 | 2 | 6 |
| 30 | Loss of legal records | Scope of the risk & Comments (B) Failure to retain records could lead to financial loss and reputational damage | | | How the risk is managed at present (F) Any property related documents kept in fireproof safe | | | Tolerance Level of Risk (H) Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? No incidence of loss in past | | | What controls are to be implemented (K) Scanned documentaion to be kept on file Date for Completion (L) Ongoing Target Risk (M) Impact Likelihood Risk Score 3 2 6 | | | | | | | | |
| | Category | | | | | | | | | | | | | Financial | | | | | |
| | Owner | | | | | | | | | | | | | Inherent/Fundamental Risk (E) | | Direct budget mgt | | | |
| | C.Hill | | | | | | | | | | | | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | | | | | | | | | | | | | 4 | 4 | 16 | 4 | 2 | 8 |
| 31 | Loss of access to banking to council | Scope of the risk & Comments (B) Bank accounts are essential for conduct of day today business. | | | How the risk is managed at present (F) TTC bank with major bank - LLoysds | | | Tolerance Level of Risk (H) Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? No history of withdrawal of banking option but inevent did then competition exists to seek new bankers | | | What controls are to be implemented (K) Consider appointing two bankers if cost effective to do so. To be addressed in case of need. Date for Completion (L) Ongoing Target Risk (M) Impact Likelihood Risk Score 3 2 6 | | | | | | | | |
| | Category | | | | | | | | | | | | | Financial | | | | | |
| | Owner | | | | | | | | | | | | | Inherent/Fundamental Risk (E) | | Direct budget mgt | | | |
| | C.Hill | | | | | | | | | | | | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | | | | | | | | | | | | | 5 | 4 | 20 | 4 | 2 | 8 |
| 32 | Loss or damage to physical assets | Scope of the risk & Comments (B) Loss of all equipment/building would have serious impact on immediate service delivery if appropriate controls agreements not in place. | | | How the risk is managed at present (F) Buildings under CMBC control and or proposed change but with occupancy rights. Equipment insured for replacement. | | | Tolerance Level of Risk (H) Level of Risk acceptable? Y/N Yes Why have you drawn this conclusion? No incident of loss of any substantial nature | | | What controls are to be implemented (K) Some spare IT equipemnt could be held in case of emergency Date for Completion (L) Ongoing Target Risk (M) Impact Likelihood Risk Score 3 2 6 | | | | | | | | |
| | Category | | | | | | | | | | | | | Financial | | | | | |
| | Owner | | | | | | | | | | | | | Inherent/Fundamental Risk (E) | | Direct budget mgt | | | |
| | C.Hill | | | | | | | | | | | | | Impact | Likelihood | Risk Score | Impact | Likelihood | Risk Score |
| | | | | | | | | | | | | | | 5 | 3 | 15 | 4 | 2 | 8 |