

Risk Assessment (Original 2015) current review July 2022				Monitoring			Residual			Edenbridge Town Council Risk Assessment		Sheet 2	Target					
Severity	Likelihood	Total	Existing Controls	Date	Owner	Signature	Severity	Likelihood	Total	Linked Ref No.	Risk No	Risk	Future Actions Identified & what has been done to improve	Date	Owner	Council Approval	Completed	Signature
5	2	10	Budgeting process Precept request Contingency fund Reserve funds Financial monitoring	September - January & ongoing monitoring	RFO		3	1	3		F1001	Loss of reputation Legal Challenge Loss of assets Inability to meet commitments	none		RFO			
													Improved budget process. New auditor. Precept increases. 10/30 year maintenance Plan reviews; budget forecasts	27/07/22				Clerk/RFO/FC
5	3	15	Financial Regulations Standing Orders Internal Audit Internal Audit annual review External Audit process Use of customised financial software Monthly reporting and scrutiny and of financial records Approval of expenditure Regular bank reconciliations Two authorisations for payments Fidelity guarantee Financial monitoring Staff employment process	Policies annual and as needed / finances 2-monthly FC meetings	RFO		4	1	4		F1002	Loss of reputation Legal challenge Loss of assets Loss of income Fraud	none		RFO			
													Much improved Finance pack to Finance Committee every 2 months. Bank recs monthly. 6monthly internal auditor. Personnel Committee. Full Terms of Reference for committees/Officers	27/07/22				Clerk/RFO/FC
5	4	20	Insurance Secure storage of cash Cash locked in safe overnight regular banking / Card Payment system (new 2020) Varied route and timing of banking concealed movement of cash	ongoing	RFO		3	2	6		F1003	Injury to staff Loss of income/cash	Review process for security of cash storage		RFO			
													Cash in office has been reduced with card payments & bacs	27/07/22				Clerk/RFO/FC
4	4	16	Sound financial controls F1002 Employment checks				3	1	3		F1004	Loss of reputation Loss of Council Funds Misappropriation of Investments						
													No stocks or shares investments. Use CCLA accounts - spreads the risk. Have reserve policy. Action: investments policy; review Financial Regs	27/07/22				Clerk/RFO/FC
4	2	8	Use of reputable company providing specialist cover for Councils 3-yearly review of provider Annual review of level of cover	Annual	RFO		4	1	4		F1005	Insolvency of Insurance Company Insufficient Cover	Free legal service and advice available from NALC		RFO			
4	2	8	Annual Review of Financial Regulations 2-monthly reporting and scrutiny of financial records Approval of expenditure Monthly Bank Reconciliations Timely payments/refunds to HMRC Compliance with Section 137 requirements / NA have GPC Employment of RFO Independent Internal Audit Annual Internal Audit Review meeting External Audit Staff training	Quarterly	RFO		3	1	3		F1006	Damage to reputation Legal Action			RFO			
3	3	9	Standing Orders Financial Regulations Contract proformas				3	1	3		F1007	Loss of Reputation Legal action Poor value for money shoddy workmanships			All			
													Contract process: Resolutions for expenditure and projects. 2020/21 New contracts proforma pack via legal support.	27/07/22				Clerk/RFO/FC
5	2	10	Business Continuity Plan Property damage insurance Reviews of Asset Register Use of reputable insurance provider.	June & October	RFO		2	1	2		F1008	Loss of Income Inability to provide services Failure of computer system Loss of data						
													Home working; IT company; Cloud systems (EDGE finance, cen=meteries, Hall bookings). Office moving to Microsoft cloud	27/07/22				Clerk/RFO/FC
5	2	10	Public Liability Insurance in place. £10 million Activities Risk Assessments	July	RFO		3	1	3		F1009	Insurance Claim Loss of reputation						
													Volunteers policy 2020 /insurance review July 2022	27/07/22				Clerk/RFO/FC
4	3	12	Business Continuity Plan IT Service Contract Virus protection (automatically updated) Off site back up.	Annual review	RFO		2	1	2		F1010	Inability to carry out council activities Failure of Computer System Loss of records						
													Home working/cloud/IT company	27/07/22				Clerk/RFO/FC

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4	2	8	2-monthly reports to Finance committee. 6-monthly Internal Audits Two signatures for all payments. Blank cheques are <b>never</b> signed.	2-monthly	RFO		3	1	3		F1011	Misappropriation of investments		27/07/22					Clerk/RFO/FC
4	2	8	Annual check of independence of Internal Audit Annual review of Internal Audit Monitoring and review by Council	Annually	RFO		2	1	2		F1012	Damage to reputation Legal Action Fraud							
													New auditor (2020); 3-yearly IA review	27/07/22					Clerk/RFO/FC
											27.07.22	<b>Summary of actions</b>	investments policy						
													Review Fianncial Regs						
													Office - files to Microsoft Cloud						