

Edenbridge Town Council Risk Assessment - Level 2 - Finance													
Risk Assessment current review October 2023							Monitoring		Residual				
Risk No	Hazard	Risk	Severity	Likelihood	Total	Existing Controls	Date	Owner	Severity	Likelihood	Total	Comments.	
F1001	Insufficient funds to carry out activities	Loss of reputation Legal Challenge Loss of assets Inability to meet commitments	5	2	10	Budgeting process Precept request Contingency fund Reserve funds Financial monotorng	September - January & ongoing monitoring	RFO	3	1	3	Reserves have improved over 4yrs from GR 203k to 282k; plus EMR	
F1002	Lack of financial control	Loss of reputation Legal challenge Loss of assets Loss of income Fraud	5	3	15	Financial Regulations Standing Orders Internal Audit Internal Audit annual review External Audit process Use of customised finacial software Bimonthly reporting and scrutiny and of financial records Approval of expenditure Regular bank reconciliations Two authorisations for payments Fidelity guarantee Financial monotorng Staff employment process	Policies annual and as needed / finances 2- monthly FC meetings	RFO	4	1	4		
F1003	Inadequate Security	Injury to staff Loss of income/cash	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	As required	RFO	3	2	6		
F1004	Fraud	Loss of reputation Loss of Council Funds Misappropriation of Investments	4	4	16	Sound financial controls F1002 Employment checks			3	1	3		
F1005	Vulnerability of Insurance Cover	Insolvance of Insurance Company Insufficent Cover	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		
F1006	Failure to maintain financial records in accordance with statutory requirements	Damage to reputation Legal Action	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	Training of reports June 2023	
F1007	Mishandling of Tenders /Contracts	Loss of Reputation Legal action Poor value for money shody workmanships	3	3	9	Standing Orders Financial Regulations Contract proformas			3	1	3		
F1008	Damage to property and equipment	Loss of Income Inability to provde services Failure of computer system Loss of data	5	2	10	Business Continuity Plan Property damage insurance Reviews of Asset Register Use of reputable insurance provider.	Annually	RFO	2	1	2		

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F1009	Damage to third party property or individuals, including volunteers	Insurance Claim Loss of reputation	5	2	10	Public Liability Insurance is in place. £10 million Activities Risk Assessments	As required	RFO	3	1	3			
F1010	Business continuity	Inability to carry out council activities Failure of Computer System Loss of records	4	3	12	Business Continuity Plan IT Service Contract Virus protection (automatically updated) Off site back up.	Annual review	RFO	2	1	2			
F1011	Loss of Council's funds	Misappropriation of investments	4	2	8	2-monthly reports to Finance committee. 6-monthly Internal Audits Two signatures for all payments. Blank cheques are never signed.	2-monthly	RFO	3	1	3			
F1012	Failures in Auditing Process	Damage to reputation Legal Action Fraud	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			