

## Financial Risk Assessment

<b><i>Subject</i></b>	<b><i>Risk</i></b>	<b><i>Impact</i></b>	<b><i>Control Measures</i></b>	<b><i>Comments/Recommendations</i></b>
Loss of monies/goods	Low	Medium	Robust systems for tracking and accounting for income. Processes subject to regular independent audit review. Insurance cover provided for Council monies. Effective asset/inventory lists maintained and regularly checked. From September 2019 no cash payments are accepted for Hall hire. Cash is only accepted for film club and adhoc events .	
Fraudulent cheque payments	Low	High	Payments only authorised by nominated elected members. Effective systems to account for payments. Bank transactions subject to quarterly reconciliation and periodic inspection by independent audit.	
Bank error	Low	Low	Bank statements regularly checked and subject to periodic sampling by Finance Officer and Independent Auditor	
Maintaining value for money with goods/services purchase	Low	Low	Procedures to market test purchasing provided for within the adopted Financial Regulations. Larger contracts/purchases subject to detailed review by elected members	
Cash flow management	Low	Medium	Cash levels subject to continuous review including the level of available	

			<p>reserves. Financial information systems assist in tracking anticipated expenditure and income.</p> <p>VAT refund applications are completed each quarter. The Council's financial information system is able to process data for VAT refunds.</p>	
Insurance provision	Medium	High	<p>Insurance is regularly reviewed with an annual update of the Schedule completed each year or when adjustments are required. Staff regularly attend the annual LCAS Seminars and receive regular advice from insurers and LCAS.</p> <p>Insurance policy is reviewed:</p> <ul style="list-style-type: none"> <li>• Annually;</li> <li>• when assets are purchased or disposed of;</li> <li>• Changes in business activity changes which has an implication on insurance provision.</li> </ul> <p>Details of insurance are subject to review both by elected members and by the Council's auditor.</p>	
Payroll and pension systems	Low	Medium	<p>Specialist contractors are used to provides payroll and pension services all documents are forwarded in a format which cannot be amended by</p>	

			the Town Council. Annual Review /reconciliation of pensions completed by Essex County Council. All payroll and pension systems are subject to regular review by the Council's auditor.	
Ultra Vires expenditure	Low	Medium	Experienced and qualified (CiLCA) staff are employed to assist the Council with help manage this risk. The Council now has extensive opportunities now it has adopted use of the General Power of Competence (Localism Act 2011).	
Unexpected major costs or loss of income	Low	High	<p>Risk management approach is adopted by the Council. Significant levels of reserves are maintained by the Council for contingencies.</p> <p>Insurance is provided for loss of business and business income.</p> <p>Earmarked Reserves are maintained for a number of key services that will/may require significant investment to maintain. This provides the opportunity to spread anticipated costs over a number of years.</p>	
Effective budget setting	Low	High	A well structured approach is in place for the setting of budgets and calculation of precepts that includes both reference to performance in previous and current years and ensures that the Council's	

			<p>Committees are able to consider both ongoing costs and income as well as identify supported projects/service developments in the year ahead. Final budget setting by the full Town Council is at a subsequent meeting in public scheduled to coincide with the billing authority's timescales to ensure Precept demands are provided in good time.</p>	
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Completed by:	Karen Hawkes Town Clerk
Date:	11th February 2020
Review date:	February 2021