

Appendix F - Finance Risks from 2024/2025 Risk Register

Ref	Detail of Risk	Current Control	Likelihood	Impact	Score
F01	Storage of cash on site	Collected by Loomis, secure entrance, stored in safe, policies and procedures in place around income collection	1	2	Low
F02	Lack of funding/withdrawal of existing funding	MTFP in place. Balances and contingencies. Balances and earmarked reserves held and topped up each year. MTFP sets out commitments and how these will be funded for next 5 years	3	2	High
F05	Incorrect VAT accounting/Breach of PE Limit	Finance Section has had VAT training. VAT implications of all capital projects in relation to partial exemption assessed and reviewed	1	1	Low
F06	Failure of Opera Financial Management System	Daily back-up of system. Support from TSG	1	2	Low
F07	Cashflow problems/shortfall of income	Cash flow regularly reviewed. Balances are held and a contingency sum is in place. Forecast model in place	1	1	Low
F08	Pension Fund shortfall	Awaiting new valuation	2	1	Low
F09	Failure to achieve efficiency savings to balance the Revenue Budget	Balances/contingencies held. MTFP sets out likely commitments and their funding for next 5 years, does not rely on efficiency savings. Service reviews to identify efficiencies	2	2	Medium
F11	Damage to building structure	Insurance policy in place	1	1	Low
F18	Damage to building contents	Insurance policy in place. Inventory in place. Pre-school daily inspection	2	1	Low
F19	Theft from buildings	Assessment has been carried out and appropriate measures are in place	1	1	Low
F20	Wear and tear on fixtures and fittings	PAT testing, budget provision, checks in place	2	1	Low

Ref	Detail of Risk	Current Control	Likelihood	Impact	Score
F21	Lack of financial management and control	Qualified staff in place. Policy and procedures, internal and external audit in place	1	2	Low
F28	Lack of Investment of Council Surplus Balances	Constant monitoring. Use of AAA rated short term investments or high interest bank accounts only	1	2	Low
F35	Financial statements may be materially misstated due to fraud and error	Anti-Fraud & Corruption Policy, CIPFA qualified Finance Manager, Int & Ext audit, pols & procedures, financial regs	1	2	Medium
F37	Withdrawal of LCTSS grant in future	Update of MTFP looked at scenarios and impact on financial position. Balances held and contingency sum. Savings would be required if withdrawn. Programme of Service reviews underway	3	3	High
F38	Changes in the future accounting & audit arrangements	Internal and external audits take place	2	1	Low
F39	Increases in national living wage and local government pay increases	Future increases provided for in Medium Term Financial Plan.	3	3	High
F40	Inflationary pressures impacting on Council budgets	Monitor through the financial planning processes	3	3	High
F41	Continuity of internal audit	Independent internal auditor engaged	1	3	Medium