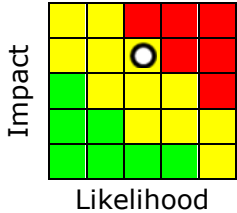
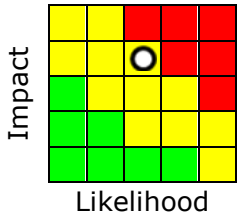
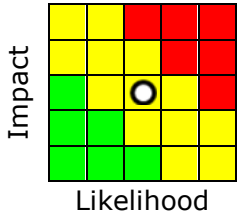
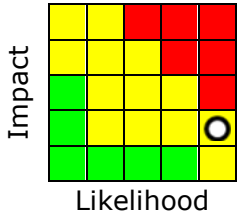
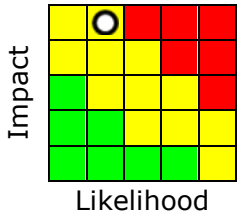
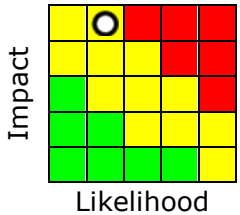
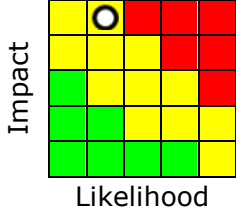
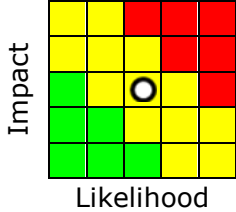
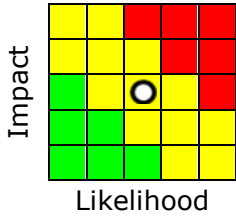
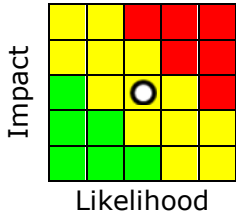
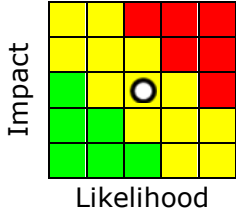
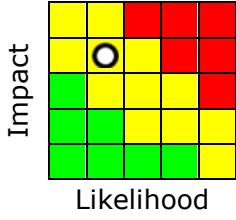


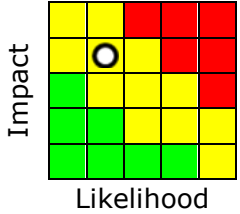
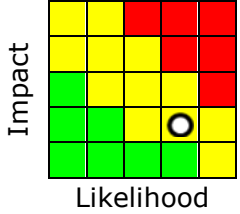
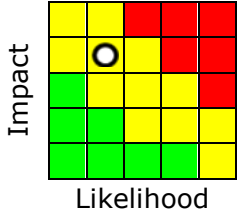
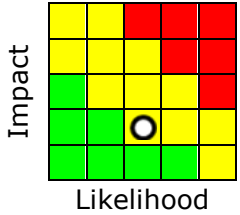
Finance Risk Register

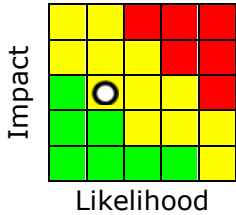
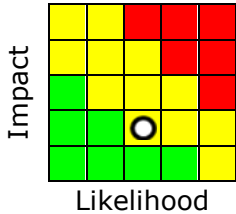
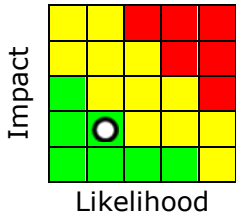
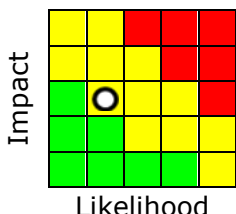
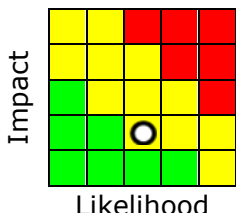
Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Loss of IT	Computer breakdown Technology problems System problems, including hacking Reliance on key staff Acts of god e.g. fire, hurricane, flood Power failure Failure of WCC system or support Pressures on WCC and their resources	Unable to issue bills update accounts, provide information, take recovery action, issue receipts, collect money Loss of revenue to Council and other Local Authorities (depends on timing) Cost implications Poor data Uncontrolled budgets Dissatisfied customers (and staff) Damaged reputation. Resource implications for rectification Staff not paid Unable to pay benefit claimants, suppliers, staff Staff morale	IT support System provider helpdesk Contract with software supplier to maintain FMS training needs Well trained staff Adequate cover Business Continuity Plan Back-ups Manual records System controls Duplicate records Procedure notes Audit testing Good plans, County Council has elaborate contingency plans Effective liaison with County UPS devices	
Loss of key records	System failure Accidental disposal Theft – particularly of IT equipment	Unable to provide service Possible litigation Financial loss Bad publicity Reputation damage Loss of confidence Resource implications for replication Staff morale Stress Staff absence Litigation	IT able to restore systems Staff training Secure storage of sensitive paper documents GCSX Document retention policy	
Failure to communicate effectively	High workload Reliance on key staff Staff absence Human error	Incorrect information used to carry out work Financial loss Additional workload Staff morale Stress Reputational damage	Monthly team meetings One-to-ones E-mail	

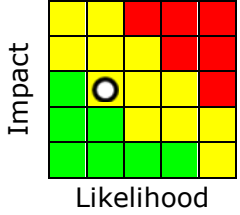
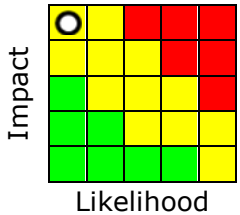
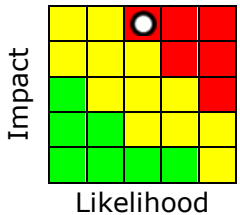
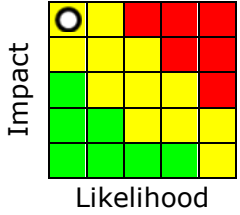
Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Fraud / Corruption	Dishonest staff, customer, suppliers Collusion Lack of controls Poor systems Abuse Exploitation Poor control mechanisms Dishonest People Poor audit processes Poor management Fraudulent insurance claims	Financial loss Resource implications for investigation Reputational damage Adverse publicity Loss of credibility Staff morale	Monthly / quarterly budget monitoring Established documented procedures CRB checks Procedure manuals Internal / External Audit Audit trails Authorisation Certification annually National Fraud Initiative Robust computer systems Good IT security Codes of conduct Audit System and processing controls Whistle blowing policy Segregation of duties Insurance	
Loss of office accommodation	Fire Denial of access	Unable to provide services Staff morale Financial loss	Work at home IT disaster recovery plan Business continuity plan critical services identified HSBC authorisation able to be done from home	
Harm to staff	Customer dissatisfaction Accident Intruders in offices Staff in building very early and / or very late	Verbal abuse Actual physical injury Health and safety investigation Traumatized staff Stress Staff absences Death Staff morale	Health and Safety Mobile phones Compliance with lone worker procedures Staff alert list Tunstall procedure Physical security measures. e.g. screens, working in pairs Training Policies Reporting / monitoring procedures	

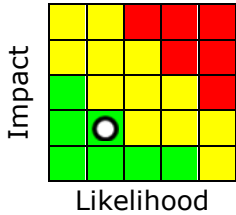
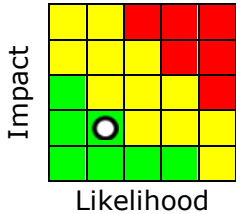
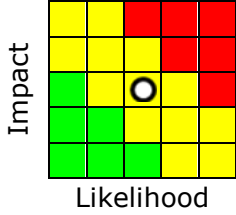
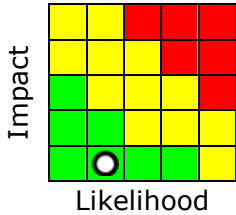
Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
<p>Poor day to day treasury management of bank balances; borrowing; cash flow; investments and interest rate volatility</p>	<p>Inexperienced staff Lending outside of Council's counterparty lists or exceeding deposit limits with individual borrower Collusion External pressure to achieve unrealistic returns Out of date information Investing in wrong part of market Not able to carry out daily function Dependence on key staff Unforeseen economic events e.g. recession HRA self-financing</p>	<p>Financial loss Reputational loss Adverse publicity Failure to achieve PIs Council has inappropriate bank accounts Poor budgeting as a result Unable to finance statutory payments</p>	<p>Fully trained staff Adherence to Code of Practice / TM Policy and Strategy, TM Strategy approved by Members Separation of duties Up to date counterparty lists Use of TM consultants Up-to-date procedure manual and duplicate records Continually update counter-party list Review of criteria ongoing Regular reports to F&A Scrutiny committee TMPs Continuing to update counter-party list HSBC authorisation Recent intervention has improved robustness of service HRA self-financing project board risk register</p>	
<p>Loss / shortage of staff</p>	<p>Dependency on key staff Long term sickness Redundancy Reduced resilience / capacity from reducing staff numbers Union action</p>	<p>Unable to supply service Financial loss Error Reduced Service Potential breach of law Increased pressure on staff resulting in absence and health issues Staff morale</p>	<p>Operational / procedures and controls External assistance External expertise, use of agency staff Appropriate cover by other team members Procedure Manual Use of agency staff Succession planning Prioritisation of work plan Business continuity plan TMPs</p>	

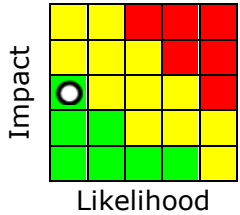
Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Improper administration of VAT	Concentration of expertise in one person Lack of up to date knowledge Staff not properly informed by Service Areas Lack of understanding Lack of engagement by services areas with Finance staff Finance not involved in projects at early stage VAT implications of new projects not considered Finance not involved in projects at early stage so VAT implications of new projects not considered	Financial loss - penalties, fines Reputation Staff morale Partial exemption breached Opportunities to recover VAT are missed Increased project costs	VAT return reviewed by line management and another accountant VAT consultancy contract Internal audit VAT audit Robust well-trained staff VAT accountant and cover advise on project structure Monitoring against limit Guidance on VAT revised and available to all staff Procedure notes for calculations Adequate training Careful scrutiny of Executive Reports Finance representation on project boards	
Failure to correctly monitor / manage Finance budget	Poor estimating Poor control mechanisms	Over / under spends against agreed Budget	Budgetary monitoring control system in place Financial training for Finance staff Controls in place on budget monitoring template Realistic budgets Financial management intervention project	
Insufficient benefit subsidy and admin grant received from Central Government	Poor estimating Poor monitoring mechanisms Universal credit Cut in grant	Positive or negative material budget variations Uncertainty of consequences regarding universal credit and council tax rebates	Quarterly estimate update Additional senior benefit assessment officer enables accuracy checking for individual staff Monthly budget monitoring	
Provision of incorrect information / advice to stakeholders (benefit claimants, taxpayers, suppliers, WDC staff, members, business rate payers)	Untrained staff Not up to date with legislative changes Short deadlines Pressure on staff Call centre staff poorly briefed	Financial loss Embarrassment Loss of credibility	Training Guidance notes Procedures CPD External professional advice Legal advice Internal/external audit Secure systems Call centre staff trained and scripts up to date	

Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Breaches of Health and safety legislation	Home working Driving for work D.S.E. / V.D.U. usage Manual handling Fall from height Items falling from height	Sickness absence Stress Injury Death Legal action Fine	Corporate health and safety policy including Home working and Driving at work Eye tests Regular DSE assessments Health and safety risk assessments (AssessNET) Training available Insurance cover Health & safety on team meeting agendas	
Failure of insurance company	Market conditions Recession Major disaster	No external insurance provision Financial loss Uncertainty	Credit risk of insurer Insurance reserves Procurement process External broker advice	
Inappropriate Insurance cover	Poor risk analysis Inadequately trained staff Poor procedures Lack of internal communication particularly regarding projects	Financial loss Increased premiums Loss of reputation Political embarrassment Losses not insured	Operational/procedures and controls Brokerage assistance Insurer expertise Risk Management Group Claims handling system	
Qualified opinions; Late accounts; Late Government Returns	Dependence on key staff High workload Staff shortages e.g. long term sickness Change of duties of staff	Inappropriate information Reputation CPA Governance failure Absence and health issues for staff Morale Financial penalties Paying auditors Staff time	Timetables for closure of accounts and budget setting Budget timetable Monitoring of key returns / reconciliations Change in staff duties allows sharing of knowledge Asset reconciliation work System and processing controls (SPC) Audit Officer training CPD Staff aware of responsibilities	

Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Council tax, NNDR and customer bills can't be issued as contractor / supplier fails or is unable to provide services as agreed / expected	Postal Strike Contractor / supplier fails or is unable to provide services as agreed / expected IT failure	People don't pay bills Loss of revenue to Council and other Local Authorities (depends on timing) Cost implications of rectification	In-house delivery of bills IT support System provider helpdesk E-billing	
Termination by partner of shared service	Stratford District Council terminate NNDR shared service	Loss of resilience TUPE implications Cost Staff morale	Memorandum of understanding Letter of variation Regular meetings 18 month notice period	
HMRC payroll returns wrong or late	Staff shortage Training System failure	Financial penalties Staff morale	Timetables / deadlines, system processing and management of the section Monitoring of key returns Specialist external advice available	
Payroll payments not made at all, are late or incorrect	System failure Staff shortage Human error Pressures on WCC and their resources Failure of WCC system or support Data received late Incorrect data received Electronic banking failure	Staff not paid Staff not paid correctly Staff discontentment Complaints Additional work Financial loss Staff morale	System and processing controls / staff cover and management of the section Good plans, County Council has elaborate contingency plans Effective liaison with County Possibility of shared service to provide better cover	
Creditor payment error e.g. overpaying, paying twice	Human error Staff shortage Duplicate invoices System error / failure Fraud	Financial loss Reputation Additional workload Loss of investment interest	Staff knowledge Staff cover Code of financial practice Separation of duties Manuals Reconciliations Budget monitoring Fraud controls	

Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Failure to pay Benefits, delay in making payment, incorrect amount paid, failure to calculate and advise as to entitlement	System failure Staff shortage Poorly trained staff Increased workload Introduction of universal credit	Customers distressed due to rent and Council Tax arrears Staff stressed Absence and health issues Financial loss Tenants made homeless Embarrassment	Weekly performance monitoring (service plan) Forward Planning Team Leader has been recruited with specific role to monitor performance Ongoing training Checks by senior assessor Agency staff	
Non-compliant procurement within Finance of services for Finance	Finance not following correct procedures on procurement Staff shortage Absence of key staff	Financial loss Litigation Loss of reputation Confidence of contractors Delay in awarding contract Failure to secure best value Cost of rectification Morale Absence and health issues	Procurement Manager and assistant appointed Procurement documentation in place Action plan Procurement training Procurement software in place Procurement action plan Working with other network groups e.g. centre of excellence Insurance Use of external expertise	
Inaccurate medium term financial plans / forecasts (excluding external factors identified in SBRR)	Inherently difficult changing local priorities Lack of clarity in Corporate Planning and co-ordination with service requirements Service changes not communicated to staff in Finance Human error	Savings under / overstated Unstable finances Stop / go expenditure Impact on service provision Big surprise at council tax and budget setting Implications of political decisions Loss of credibility	Good linked service planning / risk management and budget preparation Continual updates and reporting Monitoring the political environment Joined up thinking Regular reconciliations Presentation to Members Improve communications Scrutiny of Executive reports	
Council Tax set is illegal, late or incorrect	Incorrect resolution No estimates Other preceptors don't deliver information or it is incorrect (typing error) Referendum	Rebilling Cost of rectification Cash flow issues Reputational damage Legal challenge Staff morale Absence and health issues	Monitoring timetable Budget timetable Keeping up to date with developments Checking of figures and papers by others CTB1 reconciliation spreadsheet checks	

Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Failure to deliver projects and / or programmes within the service	Lack of resources Poor planning Lack of time Lack of knowledge Staff absence	Core work disrupted Financial loss Reputation damage Staff morale	Project planning Prince II Project risk registers Consultation	
Failure to produce cheques	Failure of equipment System failure	Customers don't get paid causing hardship Bad publicity Dissatisfied customers Staff morale	Manual production of cheques 80%+ of customers now paid by BACS More customers encouraged to receive payment by BACS payments Make payment by CHAPS	
Failure of electronic banking	Failure of BACS system Failure of CHAPS WDC website unavailable Failure of bank systems Telecommunication failure	Customers and suppliers not paid causing hardship Customers unable to pay WDC resulting in recovery action Complaints Bad publicity Litigation Cash flow Financial loss	Use available alternative payment method	
Debts not being collected or controlled giving incorrect message to debtors	Lack of clear debt recovery policy Poor procedures and / or lack of manual Irregular monitoring System failure Imprecise debt recovery policy Lack of procedures manual Change of customer circumstances e.g. unemployment Loss of staff expertise Diminishing knowledge base regarding specialist debts	Cash flow Injustice Financial loss Complaints Adverse publicity Staff morale	Formal monthly monitoring of outstanding debt Recovery timetables Documented control systems Use of Benefit overpayment module Use of automated procedures in systems Use of new enforcement agents Property debts control group Code of Financial practice System / credit control Internal audit Staff knowledge Staff cover Encourage pre-payment Encourage direct debit payment Ongoing review of procedures	

Risk description	Possible Triggers	Possible Consequences	Risk Mitigation/ Control	Residual Risk Rating
Data protection compliance breach	Poor / inadequate training of staff Give out personal information Hold inappropriate information Information not stored securely	Breach Data Protection legislation Investigation Litigation Financial loss – fines, compensation	Adequate training for staff Document retention policy Encryption of data GCSX Information security policy	
Internal Audit Plan not completed	Staff turnover Diversion of resources Poor productivity No cooperation / management support	Problems undetected Reduced assurances re Annual Governance Statement	Prioritisation mechanism Buy in resources Peer review action plan	