

Finance Risk Register

Risk ref	Risk description	Existing controls/plans/mitigations	Action to be taken to enhance or expand existing controls	Likelihood	Impact	Rating	Priority L/M/H/V H	Risk category
1	The Council has insufficient cashflow to meet its liabilities	Daily cashflow is produced for investment purposes	An enhanced cashflow has been produced which is reviewed/updated on a daily basis to identify any issues with cash receipts and investments have been placed in instant access accounts to manage cashflow needs	3	4	12	High	Financial
2	Treasury Management returns and counterparty risk	Interest rates and counterparty risk are reviewed on a daily basis	Investments have been placed in instant access accounts so that if any risks are identified with counterparties the investment can be withdrawn	2	4	8	High	Financial
3	Budgetary impact of COVID-19 on discretionary income receipts and additional expenditure	Monthly budget monitoring	Discretionary income receipts and additional expenditure are being monitored on a weekly basis to determine the impact of the pandemic on the council. Sensitivity analysis has been produced so that the 'best' and 'worse' case scenarios are known, this is updated on a weekly basis as information is released and actual data is known.	3	4	12	High	Financial
4	Council Tax - non-payment of liability	Collection rates are monitored on a monthly basis	Collection rates are monitored on a weekly basis and benchmarked against neighbouring authorities	3	4	12	High	Financial

Appendix C

5	Business Rates - non-payment of liability/closure of businesses and the impact on the Lincolnshire Business Rates Pool	Collection rates and net rates payable are monitored on a monthly basis	Collection rates are monitored on a weekly basis and the net rates payable is stressed test against the Lincolnshire business Rates Pool on a quarterly basis to establish the overall impact on the pool position	3	4	12	High	Financial
6	Reserve levels insufficient to meet Council ambitions	Reserve levels are monitored alongside Council budgets	The budgetary impact of COVID-19 is being monitored against uncommitted reserves and the sensitivity analysis is also being stress tested against available reserve levels	2	4	8	High	Financial
7	Affordability of capital programme	Funding is committed to capital projects during the budget setting process and expenditure is then monitored on a monthly basis for the duration of the project so that under/overspends are known	Reserve levels are monitored on a monthly basis to identify whether resources are still available to fund the programme or whether alternative funding steams need to be identified	2	4	8	High	Financial
8	Classification of the business sector to economic recovery	This is a new risk due to the anticipated recession	Financial advisors are working with Lincolnshire authorities and monitoring the percentage of businesses which fall into high/medium/low risk categories for recovery so that the impact on business rates receipts can then be monitored	2	4	8	High	Financial
9	Management of supplier payments	This is a new risk	Supplier payments are reviewed on a weekly basis to ensure that only necessary expenditure is being incurred that supports service delivery or the Council's community response to the crisis	2	3	6	High	Financial

10	Third Party financial claims	This is a new risk	Risk of claims received from third party suppliers resulting from their income losses being experienced due to trading difficulties	3	3	9	High	Financial
11	Commercial lettings income	This is a new risk	Risk of Council tenant experiencing difficulties in meeting their rental obligations over the medium term	3	3	9	High	Financial

Risk Matrix

