

Financial Risk Assessment: 3. Expenditure					Responsible Officer: RFO/Full Council Committee
Ref No.	Hazard				Risk Control Measures
		Likelihood	Impact	Rating	
1	Failure to maintain an effective payments system	1	3	3	RFO responsible for control of expenditure and operates sound budgetary control for all expenditure
					Expenditure within estimated budgets controlled by the Town Clerk/ Chief Executive/RFO.
					Purchase orders raised for items of expenditure and matched with invoice for payment.
					All purchase orders coded to correct budget allocation and checked by office placing the order, the Admin. Support Assistant & Town Clerk/ Chief Executive before payment of invoice.
					All payments supported by an invoice/voucher – all details are checked input on accounting system and payment generated
					The relevant Officer's signature to show final approval for payment.
					All payments (via a payments schedule) are approved by the PGF Committee
	Cheque Payments:				All cheques raised must be authorised by the relevant Officer before Town Clerk/ Chief Executive/ Members sign the cheque per signing limits.
	For payments over £5k all cheques and relevant invoices must be signed by two authorised Members and cheque number endorsed on cheque run summary.				
2	Incorrect payment	1	2	2	Invoices must be signed by the Officer receiving the goods as true and correct.
					Admin. Support Assistant cross checks purchase orders and invoices before raising cheque for payment or inputting invoices via electronic payments.
					Bank accounts operated within fixed limits for BACS payments e.g. salaries.
					RFO to ensure all expenditure within legal powers. NB the Council has attained the General Power of Competence
3	Improper use of direct debit	1	2	2	All DD mandates signed off by Town Clerk/ Chief Executive.
					Limited use of direct debits and any new ones must be authorised by Town Clerk/ Chief Executive/RFO prior to setting up.
					Direct debit payments monitored monthly by RFO.
4	Not achieving value for money	2	2	4	All purchases of goods and services must be made in accordance with the Council's Procurement Policy, the Financial Regulations and Standing Orders. The summary of requirements is as follows:

					<b>ESTIMATED VALUE OF CONTRACT (Net of Vat)</b>	<b>CONTRACT REQUIREMENTS</b>
					Between £500 and £3,000	3 estimates required. A purchase order required.
					Between £3,001 and £24,999	3 quotations required. A purchase order required.
					Between £25,000 and Procurement threshold*	Tender advertised on the Town Council Contract Finder and Find a Tender website and specialist website if appropriate. A contract is required.
					Above Procurement threshold	Legal advice shall be obtained on the appropriate processes. A contract is required.
					*Procurement thresholds are set, usually annually by central government in accordance with the Public Contracts Regulations 2015.	
					All contracts and tenders marked on value for money=price/weighted score, taking into account all the objectives set out in the Procurement Policy including sustainability and use of local contractors where possible.	
					Contracts registered on contracts schedule and delegated to specified officers for regular management and monitoring.	
					Contracts may now be published on the local authority Contract Finder website for transparency purposes.	
5	Inadequate budget provision	2	1	2	Any unexpected expense to be met from reserves or virement only after Council approval.	
					Adequacy of finances to repay loans reviewed as part of budgetary process.	

				Budgets to be thoroughly scrutinised at each meeting of the Council's Committees to ensure that budget risks are identified and addressed. Annual budget set at adequate level to cover the Council's requirements.
	<b>Reviewed by Town Clerk/ Chief Executive:</b>			<b>Date:</b>
	<b>Approval by PGF Committee, signed by Chair:</b>			<b>Date:</b>