

Risk Register - CHIEF EXECUTIVE'S DEPARTMENT: Finance

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Risk Code	Risk Event	Primary Risk Category	Risk Type	Responsible Person	Causes	Risk Effects	Initial Impact	Initial Likelihood	Initial Risk Rating	Existing Controls	Risk Treatment	Revised Impact	Revised Likelihood	Revised Risk Rating	Risk Action Title
SF02	IT systems unavailable	Budget / Financial	Operational Risk	Norman Macdonald - Chief Officer, Finance	IT upgrades unsuccessful and/or weekend/overnight routines not working. Power cut, destruction of IT server, IT system malfunctioning.	Unable to process benefits, undertake billing, account for monies collected, delays in processing, additional pressures on staff, additional overtime costs, one-off payments for omissions, reduced collection of revenues due.	3.00 Significant	2.00 Possible	Medium	Back up paper systems where appropriate.	Retain the threat	3.00 Significant	2.00 Possible	Medium	
SF03	Breaching the threshold for VAT partial exemption	Budget / Financial	Operational Risk	Norman Macdonald - Chief Officer, Finance	Failure to monitor the VAT partial exemption position	Loss of recoverable VAT income to the Comhairle	3.00 Significant	2.00 Possible	Medium	Regular review of partial exemption calculation. Monitoring VAT implications of large capital projects.	Retain the threat	3.00 Significant	2.00 Possible	Medium	
SF04	Inadequate cover for all Insurance risks	Budget / Financial	Operational Risk	Norman Macdonald - Chief Officer, Finance	Risk excluded by insurers concealed in small print	Comhairle exposed to non planned costs	2.00 Moderate	2.00 Possible	Low	Appoint and use Brokers especially to read the small print in documentation. Insurance Officer admin support post has completed a certificated insurance course and the Principal Accountant has been more actively involved in this area. The Marine Policies have been reviewed by an external consultant and Comhairle technical staff have been carrying out a review of property valuations, to ensure adequate cover is in place.	Retain the threat	2.00 Moderate	2.00 Possible	Low	
SF05	Loss of cash resources	Budget / Financial	Operational Risk	Norman Macdonald - Chief Officer, Finance	Failure of Financial Institution	Savings would be required to balance the budget and the Comhairle credit rating would fall	4.00 Major	2.00 Possible	Medium	Only approved institutions are used for investments. Limits are placed on sums invested. This is reviewed and updated on a daily basis on the advice of TM advisors. Adequately staffed TM function; segregation of duties; daily reporting to the Director for Assets, Finance & Resources. Regular Internal Audits.	Retain the threat	4.00 Major	2.00 Possible	Medium	
SF06	Loss of expertise and knowledge due to staff turnover	Workforce	Operational Risk	Norman Macdonald - Chief Officer, Finance	Reduction in staffing numbers due to budget reductions, long term illness and staff turnover.	Loss of strategic direction. Limited ability to provide the service. Errors, reduced performance and stress.	2.00 Moderate	3.00 Likely	Medium	Interim arrangements put in place and reviewed on a regular basis to ensure effectiveness. Managers and supervisors prioritise workload, teams able to cover each others duties. Multiple access to Albacs etc./relief staff. Procedure notes to enable cover by other AFR colleagues on basic functions. BCP assessment of critical activities.	Retain the threat	2.00 Moderate	3.00 Likely	Medium	
SF07	Payment made in error - creditors bank details, overpayment of hours/OT, use of procurement card	Legal	Operational Risk	Norman Macdonald - Chief Officer, Finance	Fraud by staff member of supplier	Financial loss to the Comhairle	3.00 Significant	1.00 Unlikely	Low	Authorised signatories, procedure sheets, restricted values of orders. Internal Audit regular review of compliance	Retain the threat	3.00 Significant	1.00 Unlikely	Low	