



TORPOINT TOWN COUNCIL

OPERATIONAL FINANCIAL RISK ASSESSMENT

(To be considered with the Strategic Business Risk Management Plan and also Financial Regulations)

- 1.1 The Council is expected to carry out an annual assessment of the financial risks it is exposed to and identify any actions it considers necessary to minimise those risks.
- 1.2 The following table attempts to identify the risks involved and recommends the necessary actions. The list is not exhaustive and Council may wish to consider other risks not identified.
- 1.3 For information, any reference to the Finance and Personnel Committee is in the abbreviated form of F & P Committee

| Service Area | Risk | Recommendation | By Whom |
|------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Insurance | Public & Products Liability (statutory) | Continue existing cover (£15m) | Clerk & RFO and F & P Committee |
| | Employers Liability (statutory) | Continue existing cover (£10m) | Clerk & RFO and F & P Committee |
| | Fidelity Guarantee | Annual Cover to be continued Members are now added to this cover. | Clerk & RFO and F & P Committee |
| | Hirers Liability | Continue existing cover (£2m) | Clerk & RFO and F & P Committee |
| | Personal Accident | Current £250,000 per person | Clerk & RFO and F & P Committee |
| | Libel and Slander | Existing Sum Insured £250,000 | Clerk & RFO and F & P Committee |
| Payroll | Incorrect Salaries Incorrect PAYE | Minute spinal points and hours annually. Continue to franchise Cornwall Council to pay salaries. Salary details to be received quarterly and at the conclusion of the financial year. | F & P Committee and Council. |
| Lettings | Review of Charges. Appropriate Systems in Place | Charges reviewed at Precept deliberations. Service Charges applied where appropriate. Charges applied in accordance with best practice | F & P Committee |
| Invoices/ Debtors/ Payments | Invoices are sent out regularly Correct charges applied Debtors controlled and reviewed | Charges applied in line with Lettings Policy. Service charges applied where appropriate. Debtor control reported to F & P Committee | Support Officer, F & P Committee and Clerk & RFO. |
| Invoices/ Debtors/ Purchase Orders | Incorrect Payments | Continue with bank reconciliation to be carried out monthly. Purchase Orders to be completed. Continue with requirement for two signatories | Council – Clerk & RFO operationally checked by Support Officer and also F & P |

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| | | to authorise online BACS payments. Payments are presented to Council or Committee for payment | Committee. |
| Invoices/ Debtors/ Reconciliation | Reconciliation | Monthly cash book/bank reconciliation Support Officer and Clerk & RFO - separation of duties. Council Member undertakes monthly bank statement reconciliation to Xero. | Clerk & RFO – Members Reflected in monthly financial information as reported to Council |
| Precept | Annual precept not the result of proper detailed consideration. Illegal expenditure. | Continue to present budget to Special Budget meeting. Continue to ensure that all expenditure is within legal powers. | F & P Committee (all members are invited). |
| | Inadequate monitoring of performance. | Continue to regularly consider budget-monitoring report (monthly). | Council and All Committees |
| Property | Equipment, Plant and External Equipment and Plant | Continue with regular maintenance and safety checks and take unsafe equipment out of service until repairs carried out. | Asset Management and Operations Committee |
| | Processes | Regular inspections of Council Property Monitoring and recording of Inspections Maintenance and Inspections fire equipment and processes, legionella and asbestos Training and CPD identified for staff. Asset Register and Asset Condition Surveys in place | Staff and Asset Management and Operations Committee |
| Health and Safety | Health and Safety Policy | Continue with annual review in line with other policies | Asset Management and Operations Committee |
| | Production of Risk Assessments and Method Statements | Allocate CPD for staff Procedure in place contractors to produce documentation | Asset Management and Operations Committee, Operations Manager Clerk & RFO |
| | First Aid | Continue with CPD for staff Review accident and HSE Procedures | Asset Management and Operations Committee, Operations Manager, Clerk & RFO |
| Accounting | Non-standard and/or non-compliant records kept | Continue to require adequate, complete and statutory financial records and accounts as implemented by Clerk & RFO | F & P Committee and Clerk & RFO |
| | Non-compliance with statutory deadlines for the completion/ approval/ submission of accounts and other financial returns. | Continue to ensure that all accounts and returns are completed and submitted by the deadlines. | Clerk & RFO and Council |

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| | Internal Systems of Financial Control | Continue with the internal controls scrutiny assessment review document Separation of duties between staff Operational monitoring of systems and procedures by Members | F & P Committee, Support Officer, Clerk & RFO and Council. |
| | Internal Audit | Review appointment, systems and parameters for the Internal Audit | F & P Committee and Clerk & RFO |
| Contracts | Ensure quotations and tenders are obtained in line with limits agreed. | Reviewed and included in Financial Regulations (Best Value Statement). Tenders to be reviewed by the Mayor, relevant Committee Chairman (or deputies) and Clerk & RFO and reported to next available Committee or Council meeting. | Council or relevant Committee |