



## 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 Operations Committee is in the abbreviated form of F & O Committee.

<b>Service Area</b>	<b>Risk</b>	<b>Recommendation</b>	<b>By Whom</b>
Insurance	Public & Products Liability (statutory)	Continue existing cover (£10m)	Clerk & RFO and F & O Committee
	Employers Liability (statutory)	Continue existing cover (£10m)	Clerk & RFO and F & O Committee
	Fidelity Guarantee	Annual Cover to be continued	Clerk & RFO and F & O Committee
	Personal Accident	Current capital benefit £25,000 per person (temporary total disablement of £500 per week for 104 weeks)	Clerk & RFO and F & O Committee
	Libel and Slander	Existing Sum Insured £1m.	Clerk & RFO and F & O 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 & O Committee Personnel 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 & O 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 & O Committee	Support Officer, F & O 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 & O

		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 & O 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.	Finance & 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 Finance & Operations Committee
Health and Safety	Health and Safety Policy	Continue with annual review in line with other policies	Finance & Operations Committee
	Production of Risk Assessments and Method Statements	Allocate CPD for staff Procedure in place contractors to produce documentation	Finance & Operations Committee, Operations Manager Clerk & RFO
	First Aid	Continue with CPD for staff Review accident and HSE Procedures	Finance & 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 & O 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
	Internal Systems of Financial Control	Continue with the internal controls scrutiny assessment review document Separation of duties between staff	F & O Committee, Support Officer, Clerk & RFO and

		Operational monitoring of systems and procedures by Members	Council.
	Internal Audit	Review appointment, systems and parameters for the Internal Audit	F & O 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
Grant funding	Non-payment of claims from funding authority. Cash flow, the ability to pay invoices in advance.	Advise funder that claims need to be expedited, due to cash flow.  To ensure prompt payment of invoices: - i) When General (Unallocated) Reserves need to be used, permission to use these funds does not need to be sought in advance.  ii) When Ear marked (Allocated) Reserves need to be used, council permission MUST to be sought and agreed in advance.	D & L Committee F & O Committee Clerk & RFO and Council