

TERRINGTON with WIGANTHORPE and GANTHORPE PARISH COUNCIL

Financial Risk Assessment

The Council has looked at the financial risks that it must deal with and resolved to adopt the following policy.

1. **Handling Cash**

The Parish Council does not handle cash on a daily basis. The only regular income is precept, bank interest, receipts for services provided and annual VAT return. All of these are paid directly into the Parish Council's bank account. The Council does have a petty cash reserve, maximum value £60. This is held by the RFO in his home.

2. **Employer's liability**

The Council may employ a clerk. The BHIB insurance policy provides employers liability cover.

3. **Public liability**

The Council has public liability cover to £10 million under its policy with BHIB.

4. **Fidelity guarantee**

The Council has fidelity guarantee cover to £250,000.

5. **Contracts and tendering**

The Council has a Standing Order in place for contracting, which is mandatory. (See Council's Standing Orders on business).

6. **Banking arrangements**

Three councillors are cheque signatories. Two councillor signatures are required by the bank and in law. Wherever possible cheques are signed at meetings of the Council and in all circumstances only for previously approved expenditure. The RFO may also have access to telephone banking. The RFO is the only person who will be registered to use this service and it can only be used to transfer money between accounts, check balances and set up BACS payments (see below). The Council plans to use the BACS system to make payments and if it does authorisation will require participation by two councillors.

7. **Bank reconciliation**

Prior to Council meetings the RFO circulates all councillors with a bi-monthly budget against spend statement, including bank balances, and copies of bank statements to accord with the period of the reconciliation.

8. **Cash book records**

The cashbook is kept on an Excel datasheet by the RFO and is updated following each meeting.

9. **Internal audit**

The Council has appointed an independent internal auditor. An audit is carried out annually.

10. **Internal control**

The Council has established a system of internal control and set criteria for the appointed councillors to work to (see addendum). Councillors are appointed at the annual meeting to undertake the internal control checks throughout the year as agreed in the Council's policy (see Financial Regulations).

11. **PAYE and Workplace Pensions Compliance**

Should the Council have any employee then it will ensure that it complies with all PAYE, NHI and pensions legislation

Approved by the Council 8.03.21.