



ECCLESFIELD PARISH COUNCIL

Serving the Community since 1894

FINANCIAL RISK ASSESMENT

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

1. Handling Cash

The Council handles cash on a weekly basis. The only regular income is precept, bank interest, income from rental of the Community Room and annual VAT return. All of these are paid directly into the Council's bank account.

There is a petty cash float of £200.00 and records are kept to ensure that petty cash payments and receipts are transparent and in order. The balance is kept topped up by the Clerk and Responsible Financial Officer. These records are provided to Finance and Premises Committee as a control measure.

2. Employers Liability

The Council employs a Clerk and Responsible Financial Officer. In addition, its insurance policy provides employers liability cover with a limit of Indemnity of £10,000,000.

3. Public Liability

The Council has public liability cover to £15,000,000 under its insurance policy with Zurich Insurance (Policy Number YLL-122008-2743)

4. Fidelity Guarantee

The Council has fidelity guarantee cover to £500,000

5. Contracts and Tendering

The Council has a Standing Order and Financial Regulations in place for contracts. It is mandatory for a parish council to have a Standing Order dealing with contracts. (See Council's Standing Orders and Financial Regulations for contracts and tendering).

6. **Banking Arrangements**

Four Councillors are cheque signatories. Two Councillor signatures are required by the bank and in law. Cheques are only signed in accordance with the Council's Financial Regulations.

The Council uses the BACS system to make payments and the following measures are in place to minimise risks in this process: BACS Payments Authorisation Forms are signed by Councillors that are cheque signatories before payments are made. The Responsible Financial Officer is the only person authorised for BACS and Telephone Banking and only when the Authorisation Forms have been signed.

7. **Bank Reconciliation**

The Council receives a monthly budget against spend statement, including bank balances, and copies of bank statements are made available to balance with the period of the reconciliation.

8. **Cash Book Records**

The cashbook records up to March 2019 were kept on Excel datasheets. In 2019 RBS Rialtas Alpha Finance Software was purchased and all financial transactions are recorded since on this software.

9. **Internal Audit**

The Council has appointed an independent internal auditor which is reviewed regularly. An audit is carried out by Yorkshire Internal Audit Services and they visit the Council office twice a year to undertake checks.

10. **Internal Control**

The Council has established a system of internal control and set criteria for the designated Councillors that lead on this. These Councillors are appointed annually to undertake the internal control checks throughout the year as agreed in and in accordance with the Council's policies and procedures (see Financial Regulations).

11. **PAYE and Workplace Pensions Compliance**

The Council receives evidence of PAYE payments to HMRC via print outs of the P32 forms and compliance with its duties in respect of automatic enrolment and workplace pensions (i.e. declaration of compliance and list of monthly pension payments)

The Council uses Sage payroll and submits HMRC data with RTI Submissions.

Approved by Council 5 November 2020

Review Date November 2021