

NORTON PARISH COUNCIL: RISK MANAGEMENT

The Council is required to carry out an annual assessment of risk.

Finance

Risk	Level	Control measures
Banking	Low	Accounts held with online Unity Trust Bank plc, 4 Brindleyplace, Birmingham, B1 2JB.
Financial controls and records	Low	<p>Monthly bank reconciliations are prepared by RFO, reported to Council, copied to councillors.</p> <p>Cheque payments are approved by two councillors and the Clerk/RFO keeps chequebook.</p> <p>The Internal Control Officer checks bank reconciliations against bank statements and approves them every quarter.</p> <p>Internal audit verifies accurate recordkeeping.</p>
Online banking controls: Financial Regulations 5 and 6	Medium	<p>The Clerk/RFO has been appointed as Service Administrator for the purpose of online banking;</p> <p>The Council maintains adequate Fidelity Guarantee insurance to cover employee dishonesty. The current limit is £150,000.</p> <p>Online payment transactions must be authorised by two signatories.</p> <p>The Clerk shall draw up a list of annual payments for the Council's approval, arising on a regular basis as a result of continuing contracts, statutory duty, (such as but not exclusively), salaries, PAYE and regular maintenance contracts for which the council may authorise payments for the year, provided that the requirements with regard to Budgetary Controls are adhered to. These payments must be recorded in the agenda/minutes and approved at council meetings in the usual way.</p> <p>Following the above authorisation, payments may be initiated by the Clerk/RFO, and authorised by two signatories, before the transaction is concluded.</p> <p>A note containing PIN/password/s for access to the council's records on the computer is retained by the chairman in a sealed/dated envelope which may not be opened other than in the presence of two other councillors. If the envelope is opened for whatever reason it shall be reported to all members immediately and formally at the next meeting of the council.</p> <p>Access to any online banking accounts will be directly to the access page and not through a search engine or e-mail link.</p> <p>Changes to account details for suppliers, which are used for online banking, may only be changed on written hard copy notification and supported by hard copy authority for change signed by the Clerk/RFO. Changes are authorised by two signatories.</p> <p>PINS/passwords relevant to the working of the council or its bank accounts may not be disclosed to any person not authorised in writing by the council or a duly delegated committee.</p>

		<p>In the event of the Clerk terminating her employment for whatever reason, any online bank cards will be destroyed and council will review its banking arrangements.</p> <p>Remembered or saved password facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.</p> <p>Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.</p> <p>The Clerk shall ensure that the computer used for the council's financial business, shall have anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security.</p> <p>Where online banking arrangements are made with any bank, the Clerk/RFO has been appointed as the Service Administrator. The Bank Mandate approved by the council has identified a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.</p>
Comply with Customs and Excise Regulations	Medium	Use helpline when necessary. VAT payments and claims calculated by RFO. Internal and external auditor to provide double check.
Sound budgeting to underline annual precept	Low	Clerk sends detailed budgets to the Finance Committee before end November annually. Precept derived directly from budget. Council reviews expenditure against budget at all Council meetings.
External Audit		
Documents posted to the Council's website, as required by the 'Transparency Code' for Smaller Authorities which replaces the external audit from 2015/16	Medium	<ul style="list-style-type: none"> • List of all expenditure above £100 - date the expenditure was incurred, summary of the purpose of the expenditure, amount and Value Added Tax that cannot be recovered. • End of year accounts. • Annual governance statement. • Internal audit report. • List of councillor/member responsibilities. • Details of public land and building assets – asset register. • Minutes, agendas and meeting papers of formal meetings.
Precept		
Not submitted	Low	Full PC Minute – Clerk/RFO to follow up.
Not paid by Daventry District Council	Low	Check and Report to Finance Committee.
Adequacy of Precept	Medium	Monthly review of budget to actual expenditure.
County Council Grants		

Submit Invoice annually for mowing grant.	Low	Clerk/RFO to check and confirm.
Check if other grants are due	Low	Chairman/Clerk to determine and/or follow up.
Clerk's Salary		
Wrong Salary / hours / rate / NI / PAYE paid (Financial Regulation 7.2 and 7.3	Medium	Councillors check/approve all payslips and attached P32 forms to ensure that the correct salary and PAYE payments are made.
Comply with HMRC requirements	Low	A print-out showing monthly pay and PAYE deducted is attached to payslip and is verified monthly when approving payment. Internal auditors carry out annual checks.
Election Costs		
Invoiced at agreed rate	Low	RFO to check and include provision in the budget. Councillors to verify accuracy of payment prior to approval.
VAT		
Claimed within time limits	Medium	Clerk / RFO to review monthly. Submit claim when VAT amounts to £100. Finance committee review at annual budget meeting in November
Budget Reserves		
Adequate provision	Medium	Consider at Budget setting.
Loss of Clerk		
Loss of council information	Low	Computer belongs to Council. Files are backed up to OneDrive and on memory sticks at least monthly - one each for retention by the Chairman and Clerk.
Insurance		
Public & Products Liability	Low	Existing statutory insurance cover of £10,000,000
Officer's Indemnity	Medium	Existing cover of £500,000
Employer's Liability	Low	Existing cover of £10,000,000
Libel & Slander	Low	Existing cover of £500,000
Employee dishonesty	Low	Existing cover of £150,000
Key Person cover	Medium	Absence due to death/illness/injury cover for clerk. £250/week (max £2,500) to cover wages and costs involved in employing a replacement to carry out the work. Covid-19 not included in cover.
Personal Accident (clerk/councillors on duty)	Low	£100,000 (death loss of limbs/sight/permanent total disablement). A £500 weekly benefit is payable for a period of two years should the accident prevent them from pursuing their usual occupation

Legal Liability		
Business is conducted within legal parameters	High	Clerk to clarify legal position on any new proposal. Legal advice to be sought where necessary.
Website documents comply with Accessibility Code	Low	Clerk to ensure that all new documents comply with effect from September 2020.
The Council's website complies with the Transparency Act	Low	Documents listed in the Transparency Act are available on the website
Document control	Low	Agendas and minutes are available on the website, and paper copies for previous financial years are archived at the Records Office in Northamptonshire.
Councillors' propriety		
Declaration of Interests in place	Medium	All new Councillors complete a Declaration of interests form. Declarations are reviewed and updated, if necessary, at the Annual Parish Meeting.
Minutes		
Accurate and legal	Low	Minutes are reviewed and approved at the next meeting.
Assets		
Village Hall: Security, insurance and equipment.	Low	The village hall is maintained and insured by the Village Hall Committee, a charitable trust, who is responsible for all maintenance from the proceeds of the rental and fundraising income.

Date Reviewed	09 March 2021
Date of next review	May 2021