

# Norton Parish Council

## Financial Control Risk Assessment

Risk	Level	Control measures
<b>Finance</b>		
Banking	Low	Online current and reserve bank accounts held with Unity Trust Bank, P O Box 7193 Planetary Road, Willenhall WV1 9DG <a href="http://www.unity.co.uk">www.unity.co.uk</a>
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 Councillor checks bank reconciliations against bank statements and approves them quarterly.</p> <p>Internal audit verifies accurate recordkeeping.</p>
Online banking controls: Financial Regulations 5 and 6	Medium	<p>The Clerk/RFO is the Service Administrator for the purpose of online banking, and is not a signatory;</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 envelop 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 must be 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 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>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.</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 budget and anticipated runout to the Council before end November annually. Precept is derived directly from approved budget. Council reviews expenditure against budget at all Council meetings.
<b>External Audit</b>		
Documents posted to the Council's website, as required by the 'Transparency Code' for Smaller Authorities which replaced the external audit from 2015/16	Medium	<ul style="list-style-type: none"> <li>• 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.</li> <li>• End of year accounts;</li> <li>• Annual governance statement;</li> <li>• Internal audit report;</li> <li>• List of councillor/member responsibilities;</li> <li>• Details of public land and building assets – asset register;</li> <li>• Minutes, agendas and meeting papers of formal meetings.</li> </ul>
<b>Precept</b>		
Not submitted	Low	Full PC Minute – Clerk/RFO to follow up.
Not paid by Daventry District Council	Low	Follow up with the district council and report to the Council
Adequacy of Precept	Medium	Monthly review of budget to actual expenditure.

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<b>County Council Grants</b>		
Submit Invoice annually for mowing grant	Low	Clerk/RFO to check and confirm
<b>Clerk's Salary</b>		
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	HMRC payslip showing the monthly PAYE is paid over to HMRC monthly. The payment is verified monthly when approving payment. Internal auditors conduct annual checks.
<b>Election Costs</b>		
Invoiced at agreed rate	Low	RFO to include provision in the budget. Councillors to verify accuracy of payment prior to approval.
<b>VAT</b>		
Claimed within time limits	Medium	Clerk / RFO to review monthly. Submit claim when VAT amounts to £100.
<b>Budget Reserves</b>		
Adequate provision	Medium	Consider at budget setting
<b>Loss of Clerk</b>		
Loss of council information	Low	Computer belongs to Council. Files are back up to OneDrive and on memory sticks at least monthly.
<b>Insurance</b>		
Public & Products Liability	Low	Existing statutory insurance cover of £10,000,000
Official's Indemnity	Low	Existing cover of £500,000
Employer's Liability	Low	Existing cover of £10,000,000
Libel & Slander	Low	Existing cover of £500,000
Fraud and dishonesty	Low	Existing cover of £150,000
Internet and email	Medium	New cover of £50,000 included in the policy
Legal liability	Low	Existing cover of £500 000

<b>Legal Liability</b>		
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 years are archived at the Records Office in Northamptonshire.
<b>Councillors' propriety</b>		
Declaration of Interests in place	Medium	All new Councillors complete a Declaration of Interest form. Declarations are reviewed and updated, if necessary, at the Annual Parish Meeting.
<b>Minutes</b>		
Accurate and legal	Low	Minutes are reviewed and approved at the next meeting.
<b>Assets</b>		
Jack's Patch	High	Playground equipment is insured against damage for £12,833.60.
War memorial	Low	The war memorial is insured against damage for £925.60

Date Reviewed	18 May 2021
Date of next review	May 2022