

EVERDON PARISH COUNCIL: RISK MANAGEMENT

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

Area	Risk	Level	Controls
Finance	Banking	L	Accounts held with high street bank – NatWest Daventry. Mandate in place to authorise the bank to automatically sweep balances in excess of £100 from the Current to Reserve Account.
	Financial controls and records	L	<p>Monthly bank reconciliations are prepared by RFO, reported to Council, copied to councillors.</p> <p>Three councillors to approve all payments made. RFO retains chequebook.</p> <p>Finance Committee member checks bank reconciliations against bank statements monthly; Internal audit verifies reconciliations.</p>
	Online banking controls – Financial Regulations 5 (risk reduced at meeting on 05/01/2016)	M	<p>Clerk/RFO is appointed as Service Administrator for the purpose of online banking;</p> <p>The Chairman is authorised to make payments, only in the event of an emergency, if the clerk is unable to do so;</p> <p>Online payment transactions, subject to authorisation by 3 councillors, are capped at £500 each;</p> <p>Each financial year the Clerk shall draw up a list of due payments which arise 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, provided also that this list of payments shall be submitted to the next appropriate meeting of the council;</p> <p>Following the above authorisation, the Council and, if so delegated, the Clerk/RFO shall give instruction that a payment shall be made.</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 internet banking accounts will be directly to the access page and not through a search engine or e-mail link.</p>

<p>Finance – cont.</p>	<p>Financial Regulation 6</p>		<p>Changes to account details for suppliers, which are used for internet banking, may only be changed on written hard copy notification and supported by hard copy authority for change signed by the Clerk/RFO.</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>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 internet banking arrangements are made with any bank, the Clerk/RFO shall be appointed as the Service Administrator. The Bank Mandate approved by the council shall identify 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>
	<p>Comply with Customs and Excise Regulations</p>	<p>M</p>	<p>Use helpline when necessary. VAT payments and claims calculated by RFO. Internal and external auditor to provide double check.</p>
	<p>Sound budgeting to underlie annual precept</p>	<p>L</p>	<p>Clerk sends detailed budgets to the Finance Committee before end November annually. Precept derived directly from budget. Expenditure against budget reported to Council and Councillors copied to monthly.</p>
<p>External Audit</p>	<p>Documents posted to the Council's website, as required by the 'Transparency Code' for Smaller Authorities which replaces the external audit from 2015/16</p>	<p>M</p>	<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 Not paid by Daventry District Council Adequacy of Precept	L L M	Full PC Minute – Clerk/RFO to follow up. Check and Report to Finance Committee. Monthly review of budget to actual expenditure.
Grants - NCC	Invoice NCC annually for mowing grant Check if other grants are due	L L	Clerk/RFO to check and confirm Chairman/Clerk to determine and/or follow up.
Clerk's salary	Wrong Salary / hours / rate / NI / PAYE paid In terms of Financial Regulation 7.2	M	Councillors check payslip and attached P32 to ensure that the correct salary and PAYE payments were made.
Grants – St. Mary's	Power to pay Payment	L L	Review grant annually when precept is set. Approval by Councillors to verify payment when signing cheque.
Election Costs	Invoiced at agreed rate	L	RFO to check and consider budget. Councillors to verify payment when signing cheque.
VAT	Claimed within time limits	M	Clerk / RFO to review monthly. Submit claim when VAT amounts to £100. Finance committee review at annual budget meeting in November
Budget Reserves	Adequacy	M	Consider at Budget setting.
Loss of Clerk	Loss of Information	L	EPC computer and printer. Back-up on memory sticks at least monthly - one each for retention by the Chairman and Clerk.
Insurance	Public Liability	L	Continue with existing statutory insurance cover of £10,000,000
	Official's Indemnity	M	Continue with existing cover of £500,000
	Employer's Liability	L	Continue existing insurance cover of £10,000,000
	Libel & Slander	L	Continue with existing cover of £250,000
	Employee dishonesty	L	Continue with existing cover of £150,000
	Comply with Inland Revenue requirements	L	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.
Legal Liability	Ensuring activities are within legal powers	H	Clerk clarifies legal position on any new proposal. Legal advice to be sought where necessary.
	Proper and timely reporting via the Minutes	M	Council meets monthly and always receives and approves minutes of meetings held.

			Minutes are also displayed on Parish notice board and website.
	Proper document control	L	All documents on PC are backed up to memory sticks, as are accounts. Older material is archived at Northamptonshire Records Office.
Councillors' propriety	Declaration of Interests in place	M	Declaration of interests completed. Reviewed and updated, if necessary, at the Annual Parish Meeting.
Minutes	Accurate and legal	L	Reviewed and approved at following meeting.
Assets	Village Hall - Security of buildings, equipment etc	L	Falls under the auspices of the Village Hall Committee who is responsible for all maintenance from the proceeds of the rental and fundraising income.
	All other assets are listed in the Asset Register	L	Covered by insurance which is reviewed annually.

Reviewed: 5 January 2016 - Minute 6.7