



GREAT & LITTLE PRESTON 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 and annual VAT return. All of these are paid directly into the parish council's bank account.

2. Employers liability - The council employs a clerk and its insurance policy with BHIB provides employers liability cover of £10,000,000.

3. Public liability- The council has public liability cover to £10,000,000 under its policy with BHIB, Policy number LCO01231.

4. Fidelity guarantee - The council has fidelity guarantee cover up to £250,000.

5. Contracts and tendering - The council has a standing order in place for contracts, which is mandatory. (See council's standing orders on business).

6. Banking arrangements - Nominated Great & Little Preston Parish Councillors are cheque signatories. Two councillor signatures are required by the bank and in law. Cheques are normally only signed at meetings of the council. The Council can use the BACS system to make payments and the following measures are in place to minimise risks in this process:

- The Clerk is authorised to make payments of up to £500, with a maximum daily amount of up to £1,000
- Payments over £500 will be subject to a second authorisation from a signatory on the bank account.



7. Bank reconciliation - The council receives a 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 the Xero accounting system and is usually updated prior to each meeting and at least once a month.

9. Internal audit - The council has appointed an independent internal auditor. An Internal Audit is carried out at the year-end prior to the External Audit.

10. Internal control - The council has established a system of internal control and set criteria for the designated councillor(s) to work to. A councillor will be appointed at the Annual Parish Council 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 - 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.

Financial Risk Assessment adopted/reviewed at a meeting of
Great & Little Preston Parish Council held on 26th May 2021

Chairman A. Dickinson

Clerk/ Responsible Financial Officer S. Bath