

Deene and Deenethorpe Parish Council Financial Control Risk Assessment

| Risk | Level | Control measures |
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| Finance | | |
| Banking | Low | Online current and reserve bank accounts held with Unity Trust Bank, PO Box 7193 Planetary Road, Willenhall WV1 9DG www.unity.co.uk |
| Financial controls and records | Low | <p>Monthly bank reconciliations are prepared by RFO, reported to Council, copied to councillors.</p> <p>Bank balances are reported to Councillors at each Council meeting.</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 record keeping.</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 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> |

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| | | <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 their 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. |
| External Audit | | |
| 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"> • 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; • 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 North Northants Council | Low | Follow up with North Northants Council and report to the Parish Council |
| Adequacy of Precept | Medium | Monthly review of budget to actual expenditure. |

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| County Council Grants | | |
| Submit invoice annually for mowing grant | Low | Recently decided not to agree this with North Northants. |
| 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 | 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. |
| Election Costs | | |
| Invoiced at agreed rate | Low | RFO to include provision in the budget. Councillors to verify accuracy of payment prior to approval. |
| VAT | | |
| Claimed within time limits | Low | Clerk / RFO to review monthly. Submit claim when VAT amounts to £250. |
| Budget Reserves | | |
| Adequate provision | Medium | Consider at budget setting |
| Loss of Clerk | | |
| Loss of council information | Low | Computer belongs to Council. Files are back up to OneDrive and on memory sticks at least monthly. |
| Insurance | | |
| 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 | Low | Existing cover of £50,000 included in the policy |
| Legal liability | Low | Existing cover of £500 000 |
| 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. |

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| 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. |
| Councillors' propriety | | |
| 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. |
| Minutes | | |
| Accurate and legal | Low | Minutes are reviewed and approved at the next meeting. |
| Assets | | |
| Plant and Machinery | High | Previously, there was a lack of internal controls to ensure that plant and machinery assets were securely stored, with no audit trail maintained regarding asset ownership, access, or usage. The Council and Clerk are currently working to address and rectify this issue. |

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| Date Reviewed | May 2025 |
| Date of next review | May 2026 |