Danby Group Parish Council

Financial Risk Management Policy

The Parish Council resolved to adopt the Model Financial Regulations drafted by the National Association of Local Councils and has looked at the financial risks that it must deal with. This Policy supports the work of the Parish Council and has been adopted by resolution.

1. Handling Cash

The Parish Council / Clerk does not handle cash / petty cash. All income is paid directly into the Parish Council's bank account.

2. Employers liability

The council employs a clerk. Its insurance policy, which is renewed annually provides employers liability cover.

3. Public liability

The insurance policy also provides public liability cover.

4. Asset Management

The Parish Council's two main assets are the public conveniences in the villages of Westerdale and Commondale, these facilities are covered by insurance.

5. Banking arrangements

Two councillors (or one councillor and the Clerk) are required by the bank and in law to sign cheques. The clerk has access to Debit Card (approved by resolution of the Parish Council and confirmed in the Council's Standing Orders / Financial Regulations.)

Individual purchases may be authorised by:

- the Clerk, under delegated authority, for any items below £200 excluding VAT. (eg items of stationary, defibrillator consumables)
- the Clerk, in consultation with the Chair of the Council, for any items below £500 excluding VAT.

- the council for all items over £500.

6. Bank reconciliation

The council meet monthly (except during the month of August) and receives a financial report at each meeting, the report includes details of bank balances, and details of payments made / to make and income subsequent to the previous meeting. Mid-year and year-end financial reports are also prepared so as to monitor performance against budget and aid in the determination of the precept.

7. Financial records

The Clerk maintains an Excel spreadsheet for financial recording purposes; this is supported by way of monthly Bank Statements together with copies of invoices and receipts.

8. Internal audit

The council by resolution (usually at the April meeting) appoints an independent internal auditor.

9. Internal control

The council works to ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management. The effectiveness of its system of internal control is reviewed before approval of the External Audit Annual Governance Statement.

10. PAYE and Workplace Pensions Compliance

The council receives evidence of PAYE and NI payments to HMRC (print outs from HMRC Basic PAYE Tools / Bank Statements) and complies with its duties in respect of automatic enrolment and workplace pensions.

Financial Risk Management Policy adopted at a meeting of the Danby Group Parish Council held on 15th April 2026

Chairman ……………………………… Responsible Financial Officer ……………………..