

**HUNSHELF PARISH COUNCIL**  
**Financial Risk Assessment**

Adopted 9<sup>th</sup> March 2026  
Review March 2027

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 Responsible Financial Officer. Its insurance policy with Zurich Insurance Company Ltd provides employers liability cover to £10 million.
3. **Public liability**  
The council has public liability cover to £10 million under its policy with Zurich Insurance Company Ltd.
4. **Fidelity guarantee**  
The council has fidelity guarantee cover to £50,000
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**  
All councillors are cheque signatories. Two councillor signatures are required by the bank and in law. Cheques are only signed at meetings of the council. The clerk also has access to online banking and this is currently under review with the intention of introducing dual controls from March 2026.
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 an Excel datasheet and is updated following each meeting.
9. **Internal audit**  
The council is in the process of appointing an independent internal auditor. An audit is carried out in April/May following the financial year end.
10. **Internal control**  
The council has established a system of internal control and set criteria for the appointed councillors to work to. Two councillors are appointed at the annual meeting to undertake the internal control checks throughout the year as agreed in the council's policy (see Financial Regulations). This will take effect from April 2026.
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 (i.e. declaration of compliance and list of monthly pension payments). This will take effect from March 2026.