

# Baginton Parish Council

## Financial Risk Assessment and Emergency Recovery Protocols

It is essential that Baginton Parish Council's finances are protected from losses through poor or risky investments, fraud, theft, embezzlement, legal prosecution, cyber attack, internet fraud or other damaging actions.

The Parish Council therefore employs the following safeguards: -

### Payments & Investments

- The Parish Council makes no investments where its capital may be compromised.
- The Parish Council does not own either credit or debit cards.
- The Parish Council does not hold any petty cash.
- The Parish Council bank accounts have been set up to have no capacity to allow an electronic payment to a third party.
- Payments are by cheque only, which requires the signature of 3 Councillors to authorise payment.
- The Responsible Financial Officer (RFO) controls the cheque book and raises all cheques, but is not an authorised signatory to the account.
- A bank mandate is completed and submitted whenever a change of Councillors occurs, ensuring that only current Councillors can authorise cheques.
- All payments are recorded within the accounts, which are published on the village website following approval at the end of the financial year.

### Internet Security

- The RFO retains all financial items, bank statements, cheque books, PIN readers, invoices and other banking paraphernalia. Councillors do not have open access to these items.
- For banking, PAYE, HMRC, VAT and other financial contacts, the RFO alone knows login details, passwords, pass codes, PIN numbers and all other access details. No Councillor knows these details.
- The RFO uses a single dedicated laptop, which is password protected, for all Parish Council activities. No Councillor knows the password.
- The laptop used by the RFO is protected by a proprietary anti-virus software system, such as McAfee or Norton, whose subscription is renewed annually.

### Public Liability Protection and Insurance

- The Parish Council maintains full public liability and building insurance for any land and properties owned by them, or they delegate that responsibility to the leaseholder (e.g. Village Hall).
- Anyone holding events or undertaking work on behalf of the Parish Council, and as appropriate, will produce risk assessments, wear appropriate safety clothing, utilise electronic communication devices, notify emergency services and comply fully with the requirements of the Council's public liability insurance.

### Audit and Review

- The Parish Council Finance Committee, in conjunction with an independent accountant, undertakes a review of the RFO's systems and records annually.
- The Parish Council Finance Committee can inspect the financial records at any time.
- A full Statement of Accounts and an Annual Return are mounted on the village website for public information.
- An internal audit is undertaken by an independent and suitably qualified person on an annual basis.
- All Financial Orders, protocols, templates and reports are available on the village website, or directly from the Clerk, in compliance with the Transparency Code.

### **Emergency Recovery Protocols**

It is acknowledged that by keeping all passwords, codes, PIN numbers and other access details solely in the control of the RFO, this can present problems if the RFO is unavailable at a critical time or is incapacitated in any manner for an extended period.

A copy of all passwords, pass codes, PIN numbers and other access details are held on a memory stick, which is stored in the safe of a commercial business within Baginton. The memory stick is password protected.

Two residents have sealed envelopes that explain where the memory stick is held and what the password is. In an emergency, where the RFO is not available, Councillors can access the envelopes. Thus the memory stick with all financial passwords and codes can be retrieved for the continuation of the Council.