**EAST COTTINGWITH PARISH COUNCIL**

**Financial Risk Policy**

**This Financial Risk Policy was adopted by East Cottingwith Parish Council at a meeting held on Thursday 10th January 2019 and recorded in the Minutes of that meeting.**

1. **Handling Cash**  
   The Council does not handle cash on a daily basis. The only regular income is from the precept, bank interest and the annual VAT return. All of these are paid directly into the Council's bank account. Rent, in respect of land owned by the Council, is paid by cheque and paid into the Council’s bank account. Payment for ‘Letting of the Lanes’ is paid in cash and paid into the Council’s bank account.
2. **Employers liability**  
   The Council employs a Clerk, its insurance policy with Zurich Insurance Company Ltd provides employers liability cover.
3. **Public liability**  
   The Council has public liability cover of £10,000,000 under its policy with Zurich Insurance Company Ltd
4. **Fidelity guarantee**  
   The Council has fidelity guarantee cover of £25,000.
5. **Banking arrangements**  
   Three councillors are cheque signatories. Two councillor signatures are required for cheques by the bank and in law. Cheques are normally signed at meetings of the Council. Where urgent cheque payments are required, these are reported to the next Council meeting.
6. **Bank reconciliation**  
   The Council receives a bi-monthly spend against budget statement, including bank balances.
7. **Cash book records**  
   The cashbook is kept in manual form and is updated after each ordinary meeting.
8. **Internal audit**  
   The Council has appointed an independent internal auditor. An audit is carried out annually in April and May.
9. **Financial Regulations**  
   The Council has agreed a set of Financial Regulations which shall be reviewed annually.