



GT BARTON PARISH COUNCIL - USE OF ONLINE BANKING RISK ASSESSMENT POLICY

The Parish Council acknowledges the need to maintain robust controls on payments as an integrated part of its overall financial control system and the Internet Banking Policy will form part of its Financial Regulations.

PROCEDURES

All orders for payment will be verified for accuracy by the Parish Clerk

- A schedule of all payments will be prepared by the Parish Clerk and presented to each meeting of the Council together with any supporting invoices or other documentation for approval.
- Wherever possible, payments will be made using online banking. The following paragraphs set out the principles and procedures of operation of the online account with particular attention to the raising of payment requests and their authorisation. The actual process of operating the online account will be the subject to the rules and security authorisation process of the agreed bank.

1. The Responsible Financial Officer shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information. (Financial Regulation 5.2)

2. The Parish Clerk will raise the requests for payment. In the absence of the Clerk, the requests for payment can be raised by any authorised signatory on the account.

3. An authorised Councillor will verify the payments online

4. The Chair will verify and release the payments online. In their absence, any Councillor nominated to authorise payments, who has not completed item 3, may release the payments.

A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.



Evidence will be retained of all payments made by internet banking transfer, showing which members approved the payment.

The Clerk/RFO shall be appointed as the Service Administrator. The bank mandate approved by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate states clearly that the Service Administrator can only input payments (Financial Regulation 6.15)

Risks	Action to minimise risks (As stated in NALC Financial Regulations)
Premature payment of invoices.	All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by a resolution of the full council (Financial Regulation 5.3)
Over payment of salaries.	For each financial year the RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation budgetary controls are adhered to, provided also that a list of such payments shall be submitted to the next appropriate full Council meeting.
Unauthorised payment.	Instructions for each payment to be signed by two authorised bank signatories, copies to be retained and payments to be reported to council. Evidence to be retained. Internal Control is undertaken, by the Chairman of the Council, during the financial year, to ensure that bank accounts reconcile with entries on the financial software. This is second checked by a rota of Councillors.
Failure to make payment.	Following authorization by resolution at a full Council meeting, the council shall give instruction that a payment shall be made.
Mis-use of pin or password	No employee or councillor shall disclose any PIN or password, to any person not authorised in writing by the council.
Loss of pin or password	A note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable (Financial Regulation 6.11)
Risk of internet fraud.	The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security, is used (Financial Regulation 6.14). Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or email link. Remembered or saved passwords facilities must



	not be used on any computer used for council banking work (Financial Regulation 6.16) Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by two members. A programme of regular checks of standing data with suppliers will be followed (Financial Regulation 6.17).
Embezzlement	The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time (Financial Regulation 5.10), however payments should always be verified and released by the Chair of the Council. Fidelity cover is in place.

Policy adopted February 2022.....Policy to be reviewed May 2023