

Internal Financial Controls

Policy Document	BTC/014
Dated:	2n March 2020
Status:	Adopted
Last Reviewed:	19 th June 2017
Next Review:	March 2021

Bewdley Town Council - Financial Controls

1	Financial Regulations	The Council has adopted financial regulations, based on the model version prepared by NALC. The regulations are reviewed for continued relevance and amended where necessary by the Town Clerk with any proposed amendments subject to approval by the Finance and General Purposes committee and Council.
2	Bank	The Council's bankers are Unity Trust Bank
3	Bank	The Council have two bank accounts with Unity Trust Bank – a current account and a deposit account. The Council also have deposit accounts with Scottish Widows Investment and Cambridge Building Society.
3	Bank	The Town Clerk as Responsible Financial Officer is authorised to communicate with the with the bank by e-mail, post and phone and can pay in money, write cheques and set up electronic payments but cannot authorise payments.
4	Bank	13 members of the Town Council are authorised signatories to the account; the Town Clerk is not a signatory. The bank holds a mandate for each signatory. Members are authorised to use the bank's online payments systems and can authorise payments but cannot set them up.
5	Bank Reconciliation	The Clerk undertakes a bank reconciliation on a monthly basis, the reconciliation is reported to the next Finance and General Purposes Committee and then to Council; this is minuted at both committee and Council.
6	Cash Balances	The latest financial position and movement on the Council's cash balances are reported quarterly to Finance and General Purposes Committee and Council meeting.
7	Cash Book	The cash book is held electronically on the Quickbook cloud-based accounting system. All original documents are held on file – invoices, receipts and payments made.

		<p>The cash book is reconciled to the bank on a monthly basis</p> <p>Reconciliation is prepared and presented to the following months Finance & General Purposes committee and then to the next Council</p>
8	Cash Book Review	A Member of the Finance & General Purposes Committee undertakes a review of the cash book, payments, receipts and bank reconciliations and the supporting documentation on a quarterly basis.
9	Purchase Orders	<p>Purchase orders are raised for the supply of goods and services and signed by the Town Clerk. This does not usually apply to utilities.</p> <p>No Member can raise an order for works or supply without the Town Clerks authorisation.</p>
10	Invoices	<p>The Town Clerk signs off all invoices against the related purchase order.</p> <p>Invoices that do not have purchase orders are checked against the previous invoice or relevant contract.</p>
11	Payments	A list of payments is presented to each Council meeting for approval.
12	Cheque Payments	<p>All cheques are signed by 2 of the 13 authorised Members of the Town Council.</p> <p>Any Member with a Disclosable Pecuniary Interest in a payment to be made will not be authorised to sign the relevant cheque.</p> <p>The Town Clerk may ask two signatories to sign a cheque where an emergency payment is necessary as long as this is supported by the appropriate paperwork.</p> <p>Any signatures obtained away from either Council or committee meetings shall be reported to the council at the next convenient meeting.</p>
13	Cheque Payments	No authorised signatory will be asked to sign a blank cheque.
14	Cheque Payments	When paying by cheque, the cheque stub and the invoice should also be initialled by the signatories.
15	Electronic Payments	All electronic payments are signed by 2 of the 13 authorised Members of the Town Council and the invoice should also be initialled by the signatories.
16	Budget	Monthly budget comparisons are provided by the Town Clerk/RFO at each meeting along with the latest monthly bank reconciliation.
17	Budget	A Budget Forecast for the 12-month period of 1 April to 31 March is prepared by the by the Town Clerk no later than 30th November ; for consideration by the Finance Committee and the Council.
18	Precept	The precept (council tax requirement), should be fix by Council no

		later than by the end of January each year for the ensuing financial year.
19	Annual Accounts	The Town Clerk/RFO produces a summary of the Town Council's annual accounts for presentation to the Town Council as soon as practicable after the end of the financial year and in any case before 30 th June.
20	Annual Accounts	The Town Clerk/RFO will prepare the Annual Statement of Accounts by 30th June at the latest (but will endeavour to provide as soon as possible after financial year end), to support the period of public inspection during the external audit.
21	Annual Accounts	The Clerk/RFO will prepare and collate all records, documents, papers etc. as directed by the External Auditor, for the period of public inspection.
22	Annual Accounts	The Town Council annually appoints a competent independent Internal Auditor to check its accounts and to ensure that its activities are properly carried out and recorded.
23	Annual Accounts	The External Auditor, appointed by the sector-led body, will contact the Town Clerk annually.
24	Risk Assessment	The Risk Assessment and Asset Register will be reviewed annually.
25	Insurance	Insurance valuations will be reviewed on a 5-yearly basis, in line with the insurers recommendations.
26	Investments	The Council's unallocated reserves will be invested in relevant secure deposit funds, either for a fixed term or rolling basis depending on access requirements and interest rates. New investments will be agreed by the Finance & General Purposes Committee and recommend to full Council for approval.