

Internal Financial Controls

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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 Town Council at its Annual Town Council Meeting.
2	Bank	The Council's bankers are Unity Trust Bank.
3	All Bank Accounts	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	Unity Current Account	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 by either cheques or electronically. The Financial Administrative Assistant also has access to the Unity Bank Current account and is also 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 by either cheques or electronically.
4	Unity Bank	3 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	Savings Accounts	3 members of the Town Council are authorised signatories with Scottish Widows and Cambridge Building Society. Currently these signatories are under review and require updating. The Town Clerk and Financial Administrative Assistant also require access to the bank but not act as signatories.
6	Mayoral Charity Bank Account	The Mayoral Account is held with HSBC. The Mayor, Town Clerk and Mayor's PA are authorised signatories on the account. The Mayoral signatory changes annually following the distribution of the funds to the preceding Mayor's charity. Funds are cleared for the new Maor to resume building the funds in their incumbent year.
7	Bank Reconciliation	The Clerk undertakes a bank reconciliation on a monthly basis, the reconciliation is reported to the next Finance and Facilities Committee and then to Council; this is minuted at committee level and minutes verified at Council level.
8	Cash Balances	The latest financial position and movement on the Council's cash balances are reported monthly to the Finance and Facilities Committee and then to Council.

9	Cash Book	<p>The cash book is held electronically on Scribe cloud-based accounting system.</p> <p>All original documents are held on an electronic filing – purchase orders, invoices, receipts and payments.</p> <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 & Facilities Committee and then to the next Council.</p>
10	Cash Book Review	A Member of the Finance & Facilities Committee undertakes a review of the cash book, payments, receipts and bank reconciliations and the supporting documentation on a quarterly basis.
11	Purchase Orders	<p>Purchase orders are raised through Scribe for the supply of goods and services and authorised 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> <p>A separate purchase order system is maintained for goods and services for the Mayoral Charity Account. These goods and services elude to activity for the sole purpose of raising funds for the Mayors Charity.</p> <p>Mayoral Expense purchase order are raised through the Scribe Purchase Order system and accounted for under Mayor's Expenses.</p>
12	Invoices	The Town Clerk signs off all invoices against the related purchase order. Invoices that do not have purchase orders are checked against the previous invoice or relevant contract.
13	Payments	A list of payments is presented to each Council meeting for approval.
14	Cheque Payments	<p>All cheques and electronic payments are signed by 2 of the 3 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/authorise the relevant cheque.</p> <p>The Town Clerk may ask two signatories to sign a cheque or authorise an electronic payment 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>
15	Cheque Payments	No authorised signatory will be asked to sign a blank cheque.
16	Cheque Payments	When paying by cheque, the cheque stub and the invoice should also be initialled by the signatories.
17	Budget	Monthly budget comparisons are provided by the Town Clerk/RFO at each meeting along with the latest monthly bank reconciliation.
18	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.
19	Precept	The precept (council tax requirement), should be fixed by Council no later than by the end of January each year for the ensuing financial year.
20	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.
21	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.

22	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.
23	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.
24	Annual Accounts	The External Auditor, appointed by the sector-led body, will contact the Town Clerk annually.
25	Risk Management	The Risk Policy and Asset Register will be reviewed annually.
26	Insurance	Insurance valuations will be reviewed on a 5-yearly basis, in line with the insurers recommendations.
27	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 & Facilities Committee and recommend to full Council for approval.