

BAGILLT COMMUNITY COUNCIL

DOCUMENTATION OF INTERNAL CONTROLS

REVIEWED BY COUNCIL 10th APRIL, 2024

General

1. The appropriate competition requirements as set out in the Financial Regulations (Standing Orders) should be applied to any expenditure.
2. A scheme for the delegation of powers to the Clerk and Responsible Finance Officer to authorise expenditure and make payments is set out below.

Budgetary and Legal Powers for Expenditure

3. Expenditure should only be incurred if there are the necessary powers to undertake the work and there is the appropriate and adequate provision within the approved budget.
4. Prior to payment of any invoice / account, the Clerk will ensure that there is appropriate documentation to justify the payment by way of Council authorisation or an approved invoice.
5. At each of its normal meetings, the Council is advised, by schedule, of the amounts processed for payment since the previous meeting.

Process for Payments

6. The Council authorises any two members together with the Clerk and Finance Officer to approve bank transfer payments and to sign cheques on its behalf with members initialling the cheque stubs.
7. Salary and wages payments to staff are made by way of bank transfer payment arranged by the Clerk and Finance Officer and subsequently approved by two members.

Records of Income and Expenditure

9. Invoices are filed in voucher number order.
10. Expenditure is recorded on the Council's Full Accounts excel spreadsheet.
11. VAT is recorded on the Council's Full Accounts excel spreadsheet.
12. Income received by the Council is recorded on the Council's Full Accounts excel spreadsheet.
13. Receipts are issued for all income received excluding Precept from Local Authority, HMRC refunds (VAT) and Bank Interest.

Security

16. For security of the Council's records on a computer including Internet Banking a note shall be made of the PIN (personal identification number) 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. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council.

Reporting to Council

17. Quarterly reports will be made to the Council detailing the progress of income and expenditure against the budget and projections, including a bank / cash reconciliation against the bank statements.

Scheme of Delegation

18. Authority is given to the Clerk and Responsible Finance Officer to authorise works for any of the services of the Community Council, subject to there being the appropriate budgetary provision, and to make the appropriate payment in accordance with these internal financial controls.

19. Any expenditure that is required which results in the approved budget being exceeded should only be authorised with the express approval of the Council or in the event of urgency with the approval by the Chairman. If the approval is given, this should be reported to the next ordinary meeting of the Council.