

SIBFORD GOWER PARISH COUNCIL

Financial Control and Internal Audit Procedure

Under the Accounts and Audits Regulations 2015, the Responsible Financial Officer (RFO) is responsible for ensuring that the Council's day-to-day finances are run properly, but it falls to Council members to exercise a proper and reasonable degree of control over financial matters.

Sibford Gower Parish Council carries out the following ongoing internal control procedures:

1. The Clerk/RFO provides a bank reconciliation at the end of each quarter to the Finance Lead who checks and verifies the reconciliation.
2. A list of payments that the Clerk/RFO may make over the next year (delegated authority) without pre-approval at a council meeting is agreed at the annual meeting of the council in May.
3. A list of payments made since the previous meeting under delegated authority are listed on each agenda for approval by the council.
4. If a payment requires the setting up of a new internet banking recipient the process to be followed is:
 - The Clerk/RFO shall verify the recipient's bank details, and request setup approval by sending an e-mail to all Councillors.
 - Any two non-conflicted councillors shall approve the setting up of the new internet banking recipient by return email.
 - On receipt of approval from two appropriate Councillors, the Clerk/RFO shall set up the new recipient using the Lloyds Business Banking new recipient process and the details shall be checked by the Finance Lead to confirm accuracy.
5. The process to be followed in order to make a payment for an invoice is:
 - The Clerk/RFO shall e-mail a copy of the invoice to the relevant councillor for approval that the goods and/or services (G&S) have been received.
 - When G&S approval has been received the Clerk/RFO shall set the payment up on Lloyds Internet Banking and send details of the payments set up, including the initials of the councillor who has approved the G&S on each payment, to the stage 3 approver as per the Sign Off Schedule if appropriate.
 - The stage 3 approver shall check the value of the payments set up match the invoice values before approving using the Lloyds internet banking system.
 - The Clerk/RFO shall try to ensure that the councillor(s) asked to complete the approvals (G&S and stage 3 finance approval) do not have any conflicts of interests in relation to the transaction.
6. In November the Clerk/RFO reviews the financial position for the year to date and draws up a draft Budget as well as the proposed precept for the coming year. The Clerk/RFO ensures that the draft budget and precept are discussed by the working group before being considered for

approval at the December Parish Council meeting or an extraordinary meeting before the end of January, depending on the need for amendments.

7. The Clerk/RFO ensures that the Council's Financial Regulations and Risk Assessment are reviewed annually, updated if required and re-adopted by the council.
8. The Council procures Internal Audit (IA) services annually. The IA visits the Council at least once per year and is required to provide a written report of their findings to the Council.