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.