



Saltney Town Council Internal Financial Controls

General

1. This Policy should be read in conjunction with the Financial Regulations and Standing Orders.
2. A scheme for the delegation of powers to the Town Clerk and Responsible Financial 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. [subject to Financial Regulations]
4. Prior to payment of any invoice / account, the Town 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 asked to approve a list of payments, some of which might already have been processed for payment since the previous meeting.

Process for Payments

6. The Council currently authorises three named members together with the Town Clerk and Responsible Financial Officer to approve signing cheques on its behalf with members initialling the cheque stubs and invoices accordingly.
7. Salary payments to staff are made by way of payment by cheque arranged by the Clerk and Finance Officer and subsequently approved by two of the three signatory members.
8. Direct Debit payments for services provided to the Council are authorised / arranged by the Town Clerk and Responsible Financial Officer subject to there being the appropriate and adequate provision within the approved budget. A Council resolution will be sought for any new Direct Debits or Standing Orders to be set up.

9 Details of direct debit payments made are reported to the Council on a monthly basis and shown in the list of payment.

Records of Income and Expenditure

10. Invoices are filed in cheque number order.

11. Expenditure is recorded via the monthly list of payments and within the accounts RBS software system. All expenditure is recorded within the appropriate expenditure headings and a monthly bank reconciliation report is prepared and presented to members.

12. VAT is recorded separately within the accounts RBS software and reclaimed annually following year end.

13. Income payments received into the Council's bank by way of bank transfer or BACS are entered in the receipts and payments on the RBS software system, within the appropriate heading income heading and reconciled against the monthly bank statement. [This would be the quarterly precept payment].

Petty Cash

14. The Town Council does not have petty cash.

Debit Card

15. The Town Council does not have debit card provision in place.

Security

16. For security of the Council's records on a computer and passwords and shall be handed to and retained by the Mayor in a sealed and dated envelope. This will not be opened other than in the presence of two other councillors should the Town Clerk be incapacitated for a long period of time. After the envelope has been opened, in any circumstances, the PIN and passwords shall be changed. The opening of the envelope shall be reported to all members at the next available meeting of the Council. This information shall not be shared outside of the Town Council or made public under any circumstances; this would be classed as a serious data breach.

Reporting to Council

17. Quarterly reports will be made to the Council detailing the progress payments and receipts against the budget and projections, including a bank reconciliation and cashbook report be produced against the bank statements.

Scheme of Delegation

18. Authority is given to the Town Clerk and Responsible Financial Officer to authorise works for any of the services of the Town 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 of the Mayor and the Chairman of the Finance and General Purposes Committee. If the approval of the Mayor and the Chairman of the Finance and General Purposes Committee is sought and given, this should be reported to the next ordinary meeting of the Council.