

Management of Internal Controls

Broadwas and Cotheridge Parish Council will ensure a robust level of corporate governance through a series of reports and evaluations carried out by elected members of the council, the Clerk/Responsible Financial Officer (RFO) and by the promotion of good practice amongst both councillors and staff.

MANAGEMENT OF INTERNAL CONTROL

1. *Financial Management – The following controls are in place:*

- Standing Orders and Financial Regulations are two of the governing policies of the Parish Council. These are reviewed annually by the Council.
- The Council's banking services are provided by Lloyds Bank.
- The Council uses a spreadsheet cashbook to process transactions and monitor performance against budget. The payroll is calculated by the deputy chair using HMRC basic PAYE tools from timesheets submitted by the clerk.
- Financial Statements including current balances and Reports are submitted to each meeting of the Council.
- All purchase invoices to be viewed and approved by Council members.
- Invoices are brought to the attention of the Council agenda for scrutiny. Hard copies of invoices are produced at each Council meeting for scrutiny.
- All Cheque signatories and approvers of electronic banking payments are all Members of the Council and approved by Council. Any changes to the bank mandate are approved by Council. Two of the signatories must sign all cheques and approve all electronic banking payments.
- Any investments and interest levels to be monitored to ensure an appropriate level of return.
- All reports from the Internal Auditor will be presented to the Council for approval and action.

2. *Risk management – The following controls are in place:*

- Insurance policy will be reviewed annually or when there are any variations to the items or services insured.
- Standing Orders and Financial Regulations will be reviewed annually to minimise risk.
- Valuation of properties and assets will be reviewed every five years or as circumstances require.
- Risk management reports will be produced as necessary for Council functions.
- Risk management reports will be produced as necessary for all events organised by or permitted by Council.
- Training for staff and councillors will be undertaken to ensure compliance and understanding of current and future legislation and guidance.

3. *Decision making process – The following controls are in place:*

- a) All Councillors must sign a Declaration of Acceptance of Office, the Code of Conduct and the Register of Interests.
- b) Standing Orders are in place to govern the conduct of meetings, voting and quorum.
- c) Financial Regulations are in place to govern the procedures for awarding contracts and other financial matters.

Review

- a) Test the effectiveness of the control system through the work of the Internal Auditor
- b) The Council will review the internal audit report and identify any areas which need improvement.