

Templeton Parish Council

Internal Controls

Adopted March 2026 - Re-adopted March 2026

Review March 2027

- Risk Management – Identify Risks – A risk is an uncertain event or condition that, if occurs, will have an effect on the achievement of an authority’s objectives
- Assess Risks
- Address Risks
- Review and Report

Risk Areas

- Payroll
- Payments
- Sales/banking
- Borrowing
- Assets

What is Internal Control?

To keep performance or a state of affairs within what is expected, allowed or accepted. Ensure that processes operate as designed.

Internal Control – Measures to:

- Ensure prompt, accurate recording
- Prevent and detect error or fraud
- Allow reconstitution of lost records
- Ensure risk is managed

Procedure	Action	Comments
Invoices Awaiting Payment	<p>Clerk/RFO checks amounts for accuracy/VAT/due payments dates to ensure no penalties are incurred. Invoices presented at the council meeting for authorisation of payment. After councillors check receipts, two signatories required from councillors to approve payment of the invoice.</p> <p>Clerk/RFO/Chairman initiate bank payment after personally telephoning contractor to verify bank details. Additional authorisation required from a/n councillor (who is a signatory) to authorise the payment from the bank. No payments can be made without two authorisations for every financial transaction.</p> <p>Receipt received from bank as the authorisation of the transaction.</p>	<p><u>Financial Risks</u></p> <ul style="list-style-type: none"> • Money going to wrong person • Money not being collected • Money/assets lost/wasted - Having to pay extra/penalties <p>All transactions recorded in minutes at council meetings.</p>
Bank Statements/Cash Book	<p>Bank statements are reconciled bi-monthly by the Clerk/RFO and submitted at council meetings alongside hard copies of the bank statements. Two councillors sign and authorise statements as a confirmation of reconciliation.</p>	<p>Bank reconciliations recorded in minutes at council meetings.</p>
Debit Card Transactions	<p>Debit cards for Templeton Parish Council are held by Chairman and RFO/Clerk. Receipts printed for any transactions via bank login and approved at council meetings as per invoices awaiting payment procedures.</p>	<p>Transactions recorded in minutes at council meetings.</p>
Reserve Accounts	<p>All transactions will be approved at council meetings before actioning transfers and rules adhered to with respect to two authorisations for financial transactions.</p>	<p>Transfers recorded in minutes at council meetings.</p>

Clerk/RFO Salary	External Accountant – overseen by Chairman – PAYE is being properly operated by the Council as an employer by an accountancy firm and monthly submission are made to HMRC under Real Time. Payments are reported to the Council for approval. As per invoices awaiting payment rules.	Payments recorded in minutes at council meetings.
Budget	Figures reconciled by Clerk/RFO to be presented bi-monthly to council for approval.	Recorded in minutes at council meetings.
Precept	Presented at November meeting for council approval.	Recorded in minutes at council meetings.
Procurement of contracts and work to be carried out for the council	Obtain three quotes and relevant personal insurance and risk assessment – take to council for approval. Procurement thresholds – January 2024.	
Risk Assessment Register	Reviewed annually by council.	
Clerk/RFO Contract of Employment	Reviewed annually by council.	
Asset Register	Reviewed annually by council.	Insurance provider to be informed of asset replacement values at time of insurance renewal.
Loss of Records	Clerk/RFO – hard drive backs-up all administrative work on a weekly basis. Passwords in place. Chairman holds Clerk’s passwords and login details in a sealed envelope.	
Financial Regulations and Standing Orders	Reviewed bi-annually by council.	
Effectiveness and scope of internal audit	Reviewed annually.	

