

BINGLEY TOWN COUNCIL



Bingley Town Council, Myrtle Place, Bingley, BD16 2LF

BINGLEY TOWN COUNCIL REVIEW OF EFFECTIVENESS OF INTERNAL CONTROL 2020 -2021

	YES/NO	OBSERVATIONS	ACTION TO BE TAKEN
BOOK KEEPING			
Finance software maintained and kept up to date	Y	Rialtus software used- Alpha.	
Evidence of internal control and effectiveness reviewed	Y	Internal control is carried out quarterly and reported to the Finance and General Purposes committee.	Owing to work load this year, the second quarter internal control inspection did not take place.
VAT evidence recording and reclaimed	Y	Rialtus calculates VAT. Payments by HMRC are reported to full council as a receipt	
Payments in cashbook supported by invoices, authorised and minuted	Y	This is checked as part of the quarterly internal control inspection.	
Multipay Card within limits, expenditure reported and minutes	Y		
Appropriate books of account kept properly through the year.	Y	Accounts are maintained on an income and expenditure basis.	
DUE PROCESS			
Standing Orders adopted to accord with NALC model July 2018	Y	To be approved December 2020.	

	YES/NO	OBSERVATIONS	ACTION TO BE TAKEN
Standing Orders reviewed in the year	Y	To be approved December 2020.	
Financial Regulations adopted and up to date	Y	Minute reference 2021/187	
Financial Regulations properly tailored to the Council	Y		
Equality policy	Y	1718/230 February 2018	Needs to be reviewed at next Annual Meeting
Terms of reference for committees etc adopted and reviewed	Y	Staffing, Planning and finance & General Purposes committees reviewed and agreed by August full council 2021/91. NPWG -terms of reference reviewed full council Sept 2020- 2021/126.	Terms of reference for FGP to be altered to reflect Facilities Management responsibilities.
Scheme of delegation adopted and reviewed	Y	Annual Meeting May 2019 point 9.	
Adequate internal controls for payments. Adequate arrangements for Bacs, direct debits and, standing orders and Multipay	Y	Payments are subject to two signatures on cheques, direct debits, Standing Orders etc. Direct debits are approved by the full council. Multipay payments are reported monthly.	
List of councillor interests held	Y	In council office cupboard, on website and sent to Bradford Council	
Summons signed, specified and displayed within three clear days' notice	Y		
Purchasing authority defined in Financial Regulations.	Y		

	YES/NO	OBSERVATIONS	ACTION TO BE TAKEN
Legal powers identified in minutes or cashbook	N	The Town Council has the General Power of Competence. This is the power of first resort.	
RISK MANAGEMENT			
Annual risk assessment carried out	Y	To be reviewed at December Full Council and FGP meetings.	
Insurance cover appropriate and adequate	Y	Regularly reviewed as the Council undertakes both new activities and acquires new possessions.	
Evidence of annual insurance review	Y	Review carried out at Finance and General Purposes committee 2021/06 May 2020 and approved at full council 2021/15 May 2020.	
Internal financial controls documented and evidenced	Y	Quarterly internal financial controls undertaken by two councillors appointed by the Finance and General Purposes committee. Reported back each quarter.	
Minutes initialled, each page numbered and overall signed	Y	Standard practice. Signed minute books in locked cupboard in council office.	
Regular reporting and minuting of bank balance	Y	This is reported to the Finance and General Purposes committee but currently the balance is not minuted.	Going forward the balance will be minuted.
Does the Council have any cash investments	Y	CCLA- Public Sector Deposit Fund	
If the Council does have cash investments has the Council considered the Government's investment guidance	Y	Reviewed and approved by full council 1920/260.	.

	YES/NO	OBSERVATIONS	ACTION TO BE TAKEN
--	--------	--------------	--------------------

BUDGET			
Annual budget to support precept	Y		
Budget against spend regularly provided to Council along with bank reconciliation	Y	Monthly budget reporting, along with material variances.	
Has budget been discussed and adopted by the Council	Y	There is a rigorous process where the budget is discussed at F&GP meetings and then tabled at full council meetings. Process underway. To be adopted Jan 2021.	
Any reserves earmarked	Y	As per the above box.	
Level of general reserves within Proper Practice i.e. between 3- and 12-months net running cost	Y		
Any unexplained variances from budget	Y		
Precept demand minuted	Y	1920/203	
Payroll			
Contract of employment for all members of staff	Y	All staff are on the model contract	
Tax codes issued and applied correctly		Bradford CPA is unsure what evidence regarding tax codes you require but as far as they can see there hasn't been any codes issued from HMRC this financial year	
PAYE/NI/RTI evidence i.e. P32 records		The P32 records are uploaded to the Town Council on a monthly basis	

		'monthly summary' at the end of the financial year the Year end summary will be uploaded in the same way.	
Has Council approved the salary for each member of staff	Y	Temporary Admin officer. 2021/132. September full council. Admin Officer. 1617/121 and Staffing Committee December 2016. 1617/31. Clerk. 1617/58. August 2016.	
Salary accords with SCP agreed by Council	Y		
Other payments reasonable and approved by the Council	Y		
Wage slips and P60 evidence	Y	Provided by Braford Community Payroll, payroll provider.	
Staff being paid correct amount as per council approval.	Y	Chairs of Council and Staffing committee check and sign staff wage slips each month.	
National Living Wage paid?	Y	All staff are paid above the National Living Wage.	
Pension obligations met	Y	Two members of staff are signed up to the pension, the third member of staff is on a temporary contract and will have the opportunity to join the pension scheme after three months.	
Grievance and Disciplinary policies adopted	Y	Policies revised to take account of NALC amended versions. Adopted by Council 1920/239. Feb 2020	
ASSET CONTROL			

Does Council keep a register of all material assets owned	Y	Adopted by full council 1920/260 April 2020.	
Is asset register up to date and accords with Proper Practices	Y	Assets are not depreciated in value.	
Value of individual assets included	Y		
Inspected for risk and up to date inspection records exist	Y	The allotments, floral displays and Xmas lights when erected are regularly inspected. The vacant toilet block is inspected on a weekly basis to comply with insurance requirements. Checks are being made with the insurance broker to see if this needs to continue.	
Record of deeds, articles and land register references available	Partial	Some land register numbers are available. Deeds are stored in the Town Council office.	
Bank Reconciliations			
Is there a bank reconciliation for each account	Y	Current account, Multipay Card and PSDF	
Reconciliation carried out on receipt of statement	Y	Often carried out before hard copy bank statements arrive by using online statements. The statements are checked each month by one of the two nominated councillors and reported at every Finance and General Purposes committee meeting.	
Any unexplained balancing entries in any reconciliation	N/A	None	
Year End Procedures			

Bank statements and ledger reconcile			
Underlying financial trail from records to presented accounts			
Where appropriate, debtors and creditors properly recorded			
Has Council agreed, signed and minuted sections 1 and 2 of AGAR			

MISCELLANEOUS			
Have points from last audit been addressed	Y	<ul style="list-style-type: none"> Internal audit arranged for 29/12. 	
Has the Council adopted a Code of Conduct since July 2012	Y	May 2016	
Is eligibility for General Power of Competence properly evidenced	Y	May 2019. Point8.	
Are all electronic files backed up	Y	Clerk laptop with Nevis Filesure. Admin Officer and temporary Admin Officer onto hard drive.	
Do arrangements for public inspection of the Council's records exist	Y	Members of the public are permitted to come and view publicly available documents. Many documents are on the Council website.	
Is the Council compliant with the Local Government Transparency Code 2015	Working towards	The Council this year will go over the £200k threshold. This will require the Council to publish more information. Most transparency information is on the website. This will be reviewed in the new financial year.	

Does the Council have a privacy policy? Is it on its website	Y		
Does the Council have a website?	Y		
Has the Council done a data audit	Y	1819/110 May 2018	
Has the Council adopted a record management policy		1819/139 June 2018	
Does the Council have a Complaints procedure	Y	Revised version adopted 1920/168. July 2019.	
Is the Council a sole trustee of a Charity	N		
If yes, have the accounts been separately audited	N/A		
Has the Council any outstanding loans	Y	First payment to go out December 2020.	
If the Council has outstanding loans, has it budgeted for repayments in the year	Y	Contained in the current year's budget.	

REVIEW OF ARRANGEMENTS TO PROTECT MONEY

Some arrangements are also included in the table above.

Appointed Responsible Financial Officer with duties listed in Financial Regulations and elsewhere	Y		
Payments supported by invoices	Y	Checked as part of internal control inspections.	
Expenditure properly approved	Y	Checked as part of internal control inspections	
Initialled cheque stub	Y	Two signatures required.	
Online banking.	Y	Bank mandate requires two councillors to authorise online	

		payments. Process for checking against the schedule of payments that are sent with full council meeting papers.	
Regular internal audit	Y	Twice a year- May and October/November	
Minute showing appointment of internal auditor	Y	2021/58. July 2020.	
Income received as expected	Y	Reported to full council	
Adequate check on reimbursed expenses.	Y	Policy in place for councillor expenses. Policy adopted this year for staff expenses. 2021/91- August 2020. Minute in place for staff mileage.	
Council appoints signatories.	Y	May 2016. John Goode and Ros Dawson. 1617/138. Jan 2017 Mark Truelove All three reconfirmed, along with Geoff Winnard, May 2019. Point 14	
Credit card has defined limits and is cleared monthly by direct debit from the bank account	Y	1718/83- August 2019.	
Council approves the bank mandate and any amendments to mandate.	Y	1617/8. June 2016	
Those with direct responsibility for money undertake appropriate training from time to time.	Y	Clerk regularly receives training. Her next financial training is March 2020.	