

## TORPOINT TOWN COUNCIL – INTERNAL CONTROLS SCRUTINY 2022

	QUESTIONS	In place y/n	Initialed Correct	If No Likely date of completion	Comments
<b>A</b>	<b>POLICIES &amp; DOCUMENTS</b>				
A.1	Does the Council have Standing Orders, Financial Regulations and Best Value Statement in place and are these regularly reviewed?	Y	RE/KB		
A.2	Does the Council have the Finance Policy in place, scheme of delegation, review of online signatories and list of direct debit payments and is the policy regularly reviewed?	Y	RE/KB		
A.3	Has a policy review planner been established by the Council to ensure that all policies & documents are reviewed within the required timescales?	Y	RE/KB	In hand	All policies are being reviewed and updated and an ongoing action plan is established. A timeline for review will be implemented (Town Clerk & RFO).
A.4	Is the review and approval of policies minuted by the Council?	Y	RE/KB		
	<b>PURCHASING / PAYMENTS &amp; CONTRACTS</b>				
<b>B</b>	<b>Purchasing &amp; Payments</b>				
B.1	Are purchases only made where provision has been made, reference made to expenditure and variance in the financial comparison & authorised?	Y	RE/KB		All accounts for payment are minuted by the Committee or Full Council.
B.2	Are purchase orders raised where appropriate and expenditure approved?	Y	RE/KB		Sampling of previous purchase orders undertaken and reviewed.
B.3	Are all invoices checked to confirm: - <ul style="list-style-type: none"> <li>➤ Goods have been received, agreed to the order &amp; annotated as such?</li> <li>➤ Payment is made to the name on the invoice?</li> <li>➤ Payment to individuals is subject to the provision of a UTR?</li> <li>➤ Prices are as agreed?</li> <li>➤ It is a proper and correct VAT invoice? and</li> <li>➤ It has been certified for payment (separation of duties)?</li> </ul>	Y Y Y Y Y	RE/KB		Process explained and demonstrated on the Xero accounting system now in operation – reviewers satisfied.
B.4	Do signatories initial the payment statements to confirm the details on the online payments match the invoice for payment?	N (see notes)	RE/KB		After the return to physical meetings, this has not been re-instated. F & P Committee decide whether physical signatures are now required. <b>ACTION</b> . Clerk to action a record of signatures of signatories <b>ACTION</b>
B.5	Are all payments authorised by Council or delegated Committee and included in the minutes, including credit cards and direct debit payments (which are delegated to the Clerk & RFO)?	Y	RE/KB		

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B.6	Are invoices paid promptly in accordance with the payment terms of the supplier, or within 30 days, whichever is sooner?	Y	RE/KB		Process explained and demonstrated on the Xero accounting system in operation – reviewers satisfied.
B.7	All supplies have a relevant invoice or receipt or delivery note	Y	RE/KB		
B.8	Is the Council S137 policy current and regularly reviewed?	Y	RE/KB		
B.9	Do all S137 applicants complete and sign an application form and comply with the Council guidance notes?	Y	RE/KB		
<b>C</b>	<b>CONTRACTS AND LEASING</b>				
C.1	Has the Council external Contracts, i.e. with external suppliers?	Y			<b>With Whom and scope:</b> ➤ Sports and Play Consulting for the management of play park improvements
C.2	Has the Council any Management or Service Level Agreements (SLA) in place?	Y	RE/KB		<b>With Whom and Scope: -</b> ➤ TB & TF JC – Rendel Park ➤ Cornwall Council – Sparrow Park and Local Maintenance Partnership (LMP) footpath cutting ➤ St James Church PCC – Town Clock ➤ Cornwall Council - Japanese Knotweed application of herbicide annual sum £250.00 (now expired, in contact with CC regarding renewal)
C.3	Has the Council entered into any leasing or hiring arrangements? If so, give details:	Y	RE/KB		<b>Details of Lease(s):</b> ➤ Cornwall Council - Library and Community Hub (3 years) renewed March 2022 ➤ ITEC – Photocopier Lease (5 years) ➤ Festive Lighting Company – Christmas Lights (3 years) ➤ Cornwall Council – Skateboard Park/Bénodet Park (25 years) ➤ Defence Estates – Bench on Land at Yonderberry (Annual) ➤ Cornwall Council – Antony Road Flats (Bench) ➤ BT (Shire Leasing) Telephone System (lease) ➤ Cornwall Council – Public Conveniences ➤ Cornwall Council – Thanckes Park play park, Borough Park play park, Cambridge Field, Chestnut Close play park and tennis courts.

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<b>D</b>	<b>PROCUREMENT AND DEBIT CARDS</b>				
D.1	Have those with delegated on-line authorisation and respective spending limits been approved by the Council? Has the delegation been recorded in the finance policy?	Y	RE/KB		
D.2	Are passwords and pin numbers held securely and not lent to unauthorised persons or the pin number disclosed?	Y	RE/KB		Clarify delegated authorised use of credit card, i.e. controls in place for credit card when RFO unavailable. <b>ACTION</b>
D.3	Are all on-line transactions: ➤ Either supported by an authorised requisition form or recorded in a transaction log? Supported by receipts?	Y	RE/KB		Process explained and demonstrated on the Xero accounting system now in operation – reviewers satisfied.
D.4	Prior to being processed through the system are the transactions reconciled: - ➤ to valid VAT receipts; ➤ the bank statement; ➤ approved and authorised by the delegated signatories?	Y	RE/KB		
<b>E</b>	<b>CASH BOOK, RECONCILIATION AND FINANCIAL COMPARISON</b>				
E.1	Is all income and expenditure entered into the cash book in a timely manner?	Y	RE/KB		
E.2	Does the income and expenditure records reconcile with the end of month bank statement?	Y	RE/KB		
E.3	If there are any unreconciled monthly statements is an explanation given?	N/A			
E.4	Does the cash book reconcile with the monthly financial comparison presented to council?	Y	RE/KB		
E.5	Is the reconciliation checked and initialled by a member of staff not involved in the process ensuring separation of duties?	Y	RE/KB		
E.6	Have all bank statements been received and filed in chronological numerical sequence?	Y	RE/KB		
E.7	Is the monthly bank reconciliation undertaken by Councillor and RFO?	Y	RE/KB		

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<b>F</b>	<b>PAYROLL AND PERSONNEL</b>				
F.1	Are all employee related transactions only paid through the payroll system?	Y	RE/KB		Payroll is operated by Cornwall Council under a franchise agreement.
F.2	Are all staff appointments and salary scales approved by Council?	Y	RE/KB		
F.3	Are any changes to staff salaries minuted by Council?	Y	RE/KB		Salary changes to Clerk & RFO are signed by Chairman of F & P Committee, before being emailed to payroll provider by Clerk.
F.4	Are salary scales for each employee minuted annually at the budget setting process to confirm current pay scales?	Y	RE/KB		
F.5	Does the salary scales minuted at the budget setting process reconcile with the notification from Cornwall Council?	Y	RE/KB		
F.6	Are overtime and casual hour payments approved by the Town Clerk and notified monthly to the Finance and Personnel Committee?	Y	RE/KB		
F.7	Is sickness absence monitored and appropriate action taken?	Y	RE/KB		
F.8	Are salary scales paid to employees within the bands approved in the Pay and Condition policy?	Y	RE/KB		
F.8	Are any additional emoluments approved by Council?	Y	RE/KB		
F.9	Are claims and expenses submitted by staff approved for payment by Council, following authorisation by Line Manager?	Y	RE/KB		
F.10	Is Superannuation and Tax/NIC applied correctly?	Y	RE/KB		Contracted out Payroll service.

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<b>G</b>	<b>INCOME – Collection and Banking</b>				
G.1	Is all income received banked intact and on a regular basis?	Y	RE/KB		
G.2	Are references to banking income annotated on the paying in book?	Y	RE/KB		
G.3	Is income received by BACS and recorded on the bank statement reconciled to the correct cost centre?	Y	RE/KB		
	<b>INCOME - Debtors</b>				
G.4	Are outstanding debts monitored by the Town Clerk?	Y	RE/KB		
G.5	Are all outstanding debts reported in a chronological sequence to the Finance and Personnel Committee in accordance with the finance policy and financial regulations?	Y	RE/KB		
G.6	Are debts and adjustments written off with the recommendation of the Finance and Personnel and approval by Council?	Y	RE/KB		
<b>H</b>	<b>Income – Lettings and Hiring</b>				
H.1	Does the Lettings Policy include an up to date scale of charges, which has been formally approved Council at the precept meeting?	Y	RE/KB		Reviewed annually at the Budget setting meeting and then approved at a Full Council meeting.
H.2	Is the hiring diary maintained by the Support Officer?	Y	RE/KB		
H.3	Are all lettings income invoiced?	Y	RE/KB		
H.4	Does the occupier's fee or charge reflect the charges approved by the Council at the Budget setting meeting?	Y	RE/KB		
H.5	Where applicable, are appropriate service charges applied in addition to the occupier's fee?	Y	RE/KB		

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	QUESTIONS	In place y/n	Initialled Correct	If No Likely date of completion	Comments
<b>I</b>	<b>SECURITY</b>				
I.1	Does the Council have a signing in book for contactors?	Y	RE/KB		A check board is fixed to the wall, all contractors in accordance with Council's H&S Policy are made aware of actions required of them whilst in the building.
I.2	Is cash retention on <b>all</b> premises secure and restricted at all times, e.g. safe or locked receptacle and the value within insurance limits?	Y	RE/KB		A low value float is retained at the Library in the secure safe. Agree threshold limit for cash held at the Library. <b>ACTION</b>
I.3	Is access to the premises suitably restricted, i.e. the number of key holders kept to a minimum and a list of key holders maintained?	Y	RE/KB		
I.4	Has the Council a designated officer with responsibility for the CCTV?	Y	RE/KB		
I.5	Is the Council registered with the Information Commissioner and has a Data Protection Policy that is regularly reviewed?	Y	RE/KB		
I.6	Is the CCTV recording equipment held securely and access restricted and recorded images retained for a minimum period before being deleted?	Y	RE/KB		
<b>J</b>	<b>INVENTORY</b>				
J.1	Are all appropriate items/assets recorded on the council's official inventory, in accordance with financial regulations and finance policy and are the insurance values applied?	Y	RE/KB		Asset Management and Operations Committee responsibility
J.2	Are all new assets / equipment and asset movements recorded in the financial accounts supporting statement with values and recorded on the inventory when they are received?	Y	RE/KB		

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J.3	Are inventories checked annually?	Y	RE/KB		
J.4	Does the Council certify the inventory each year in the financial accounts?	Y	RE/KB		
J.5	Are all internal assets recorded on the inventory retained in a secure location?	Y	RE/KB		Online document – password protected.
J.6	Are all appropriate assets security marked?	Y	RE/KB		
J.7	For equipment that is lent or hired out, is the loans log up to date?	Y	RE/KB		
J.8	Are all disposals / write-offs of inventory authorised in line with financial regulations and the finance policy and recorded in the financial accounts supporting statement?	Y	RE/KB		
<b>K</b>	<b>RISK MANAGEMENT AND INSURANCE</b>				
K1	Is the Council Business Management Risk Assessment and Financial Risk Assessment current and up to date?	Y	RE/KB		Approved at Full Council meeting held February 2022.
K2	Are the Council's Inventory Insurance values current and appropriate?	Y	RE/KB		
K3	Is the Council Insurance appropriate for the following and in compliance with best practice and financial regulations? > Public Liability Insurance > Fidelity Insurance > Employers Liability Insurance > Hirers Liability > Personal Accident	Y	RE/KB		
<b>Completed by:</b>	Councillor Miss R A Evans BEM (Town Mayor) and Councillor Mrs K Brownhill (Finance & Personnel Committee Vice Chairman)	<b>Reviewed by the Finance and Personnel Committee</b>	28/02/22	<b>Approved by Town Council</b>	
<b>Date Completed:</b>	18/02/22	<b>Date Reviewed</b>	18/02/22	<b>Date Approved</b>	