



System of Internal Control

Appointment of Officers and Administrative Arrangements

- 1 The Town Clerk is the Proper Officer of the Council as defined in the Local Government Act 1972 and is also appointed as the Council's Responsible Financial Officer.
- 2 Other staff and contracted support staff appointed to assist with the administration of the Council report to and work under the direction and authority of the Clerk.
- 3 Salary bands and job descriptions are recommended by Finance & General Purposes Committee and agreed by Council.

Governance Arrangements

- 4 The Town Council has Standing Orders and Financial Regulations in place which are reviewed regularly.
- 5 The Standing Orders set out the scheme of delegation to the Council's three Committees namely Environment Committee, Finance & General Purposes Committee and Planning Committee.
- 6 The Finance & General Purposes Committee is responsible for all Financial aspects of the Town Council, together with matters not coming within the purview of the other two standing Committees (Planning and Environment Committees):-

The Finance & General Purposes Committee has the following delegated powers:--

- i. Approval of Payments of accounts.
- ii. Approval of Donations or Grant Aid.
- iii. Approval of special urgent items of expenditure not included in the approved budget be limited to £3000.00, not more than three times in any financial year (from miscellaneous expenditure).
- iv. To sanction expenditure within the approved budget in relation to the repair and maintenance of Council property up to the value of £5000.00
- v. Correspondence arising from agenda items requiring information.

By recommendation to consider all staffing matters including staff costs.

The Environment Committee has the delegated powers to deal with the following:--

- i. Allotments
- ii. Amenity Areas
- iii. Bus Shelters
- iv. Closed Churchyards (All Saints', St. Mary's and St. Peter's)
- v. Cromwell Pump
- vi. Ground Maintenance
- vii. Horse Trough
- viii. Leech Memorial Garden
- ix. Market Hill Garden
- x. Parish Lights
- xi. St. Giles Ruins
- xii. Street Furniture
- xiii. Ware Pond
- xiv. War Memorial

Financial expenditure with regard to the above, except for allotments, to be authorised by the Finance & General Purposes Committee.

The Planning Committee has delegated powers to review and comment on on behalf of the Town Council all every planning applications in Maldon, making recommendations to the District Council, which is the deciding body. It also comments on associated matters and consultations

- 7 Working Groups are appointed from time to time to consider issues in detail and prepare recommendations for approval by the relevant Committees and Council.
- 8 The Council is required to appoint an independent auditor. The basis on which the auditor carries out the internal audit is set out and agreed by both

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the auditor and the Council. The auditor is permitted access to any areas of the Council's activities. The contract for the internal audit is with a limited company.

Financial & Accounting Procedures

- 9 Cheque signatories – the Council has a limit of 5 councillors acting as signatories to the Council's accounts at any one time. This is reviewed regularly. In addition, the Town Clerk acting as RFO, countersigns each cheque or order for payment to indicate that it has been checked for accuracy.
- 10 All cheques require the signature of two Councillors. Where for ease of payment, timeliness and security, payment is made by BACS (salaries and HMRC) or Direct Debit (utilities, council tax), an order for payment is signed by two Councillors.
- 11 At each of its meetings, the Finance & General Purposes Committee receives a detailed list of all payments made since the previous meeting for approval. This information is available to the public except for salary payments which are approved en bloc for Data Protection purposes.

Petty Cash

- 12 Payments made through petty cash are kept to a minimum. The annual limit in the budget available for petty cash has been reduced to £300. No more than £150 is kept in the Town Council office at any one time. Payment is made on production of a relevant receipt.

Invoicing

- 13 Invoices are produced for the hire of the Town Hall facilities. Casual hirers are invoiced when bookings are made. Regular hirers are invoiced monthly, except where hirers have indicated they wish to pay for a longer period of hire in advance. Invoices are also produced annually for allotment rents, hanging basket fees and Christmas market stalls.
- 14 Invoices are rendered on the basis of the scale of fees and charges agreed by the Council and effective at the time. These scales are reviewed annually.
- 15 To provide a separation of duties from the RFO, the day to day work of producing the invoices and banking of cheques and cash received is undertaken by other office staff. The RFO undertakes this work on an occasional basis which acts as a check on the process.
- 16 Receipts are written for all cash and cheque payments. Payments received via BACS will indicate this on the copy invoice.
- 17 A list is kept of payments due and regular checks are made by the RFO. Written reminders are sent to hirers if payments are overdue.

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- 18 In addition to the hire charge, cheques are taken as a surety fee from casual hirers for events such as parties. These cheques are not banked routinely but kept in the Town Council office and are banked immediately after the event if damage occurs.

Cash and cheque handling

- 19 Cash and cheques are banked weekly.

Salaries and other staff payments

- 20 Salary payments are made monthly on or around the 24th of the month, by BACS. Payments are made on the basis of salary scales agreed by the Council.
- 21 Where members of staff submit hours of work sheets, these are checked by the Town Clerk and the correct payment is calculated.
- 22 Use of a wages company ensures compliance with all HMRC requirements. Payment details are submitted to the company which undertakes the calculation of pensions, PAYE and NIC. It produces all the necessary paperwork for employees such as P45 & P60 forms. It also prepares the end of year return for HMRC, which after checking by the Town Clerk, is submitted on-line by the company.

Budgetary control

- 23 The Council's Financial Regulations set out the procedures for dealing with contracts and delegation to the Clerk for expenditure of an urgent nature.
- 24 A report is given to each meeting of the Finance & General Purposes Committee showing expenditure against budget. Movements between budget headings require approval of the committee.

Asset Management

- 25 The Council's asset register is updated annually.

Risk Management

- 26 A regular assessment of all risks facing the Council is made for all of its properties and activities. Reports are given to Finance & General Purposes Committee and to the Council.
- 27 Workplace Risk Assessments for the Town Hall are reviewed annually.
- 28 A Fire Risk Assessment for the Town Hall is reviewed annually.

