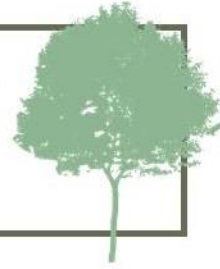


Fownhope Parish Council

Serving the community



Standard Operating Procedure

To ensure compliance with Financial Regulations

Procedure to ensure transactions are recorded quickly:

- The Clerk records transactions approved at each meeting generally within a week of the meeting, and raises payments approved before the end of the week the meeting was held.

Procedure to prevent and detect inaccuracies and fraud:

- Transactions are recorded each month on the Scribe accounting software;
- The Clerk reports financial data monthly and prepares a monthly bank reconciliation, balanced to zero, which is checked each month by a member of the Finance Working Group either via email or at the Parish Council meeting;
- A stringent password policy is in place, informed by West Mercia Police Advisor, Paul Crumpton;
- At least four Finance Working Group meetings are held each year, and one internal audit is commissioned each year to ensure effective monitoring of systems and finances.

Procedure to deal with uncollectable amounts:

- In the event an invoice generated by FPC remains outstanding for a period of 30 days, the Clerk will send a letter to request payment is made within a period of 14 days;
- Should the invoice remain outstanding after this time has elapsed, the Clerk will send a further letter requesting urgent payment within 7 days;
- Should the invoice remain outstanding, the Clerk will table an agenda item for the next meeting to consider further action to recover the debt, which may include making a court claim.

Identification of duties of Officers dealing with financial transactions and division of responsibilities in relation to significant transactions (including Council's RFO, Finance Working Group Members):

- RFO: responsible for recording transactions, payments and receipts, ensuring accounting software is up to date and balances;
- RFO responsible for generating regular reports for reporting to full council;
- FWG members responsible for checking data is correct, including periodic reviews of data input against invoices, agendas etc; invoices reported correctly on agendas; payments made etc.

Procedures for Capital Works:

- All capital works are proposed and approved at full council;
- The Clerk endeavours to obtain at least three quotations for consideration by full council;
- The successful quotation is informed by email and a works order is issued;

Procedures for approval of expenditure and making internet payments including when Council meetings are held remotely over the internet and face to face:

- Invoices reported on agenda and checked either at the meeting or from scanned emailed copies;
- Invoices and/or agenda is sent on email by the Clerk to the four signatories when asking for the payments to be authorised to enable the proposed payment to be checked against the (previously approved) invoice/agenda.

Procedures for the use of computer passwords and bank account internet identification number and passwords:

- Passwords held in a password protected file on the Clerks computer and in a sealed envelope held by the Chairman;
- Bank account identification documents are stored in the locked, fireproof cabinet in the Clerk's office.

Procedures for dealing with income and recovering VAT:

- Invoice numbers are generated and recorded by the Clerk;
- Income is banked (if received by cash or cheque) at the earliest opportunity by the Clerk;
- Invoices and receipts are recorded on the Scribe accounting software;
- VAT recoverable is detailed on the accounting software which generates a report that can be used to submit the reclaim to HMRC. This is submitted by the Clerk.

Procedure for written orders for goods and services:

- The Clerk generates a written works order recording the number on an annual sheet for work approved at full council;
- The works order is matched against the invoice upon completion of work and presented to council for payment approval;
- No works orders are required for work to the Lengthsman that is included within the approved annual maintenance plan. Works carried out under the annual maintenance plan are confirmed as complete by the Highways or Footpaths officers prior to payment of invoices.

Procedures to ensure the Council's computer files are backed up and secure:

- One Drive is enabled on the Clerk's computer which stores all files remotely and enables secured access by others if necessary;
- The password for One Drive is stored on the Clerk's computer and by the Chairman;
- An external hard drive is connected to the Clerk's computer for regular back-ups.

Adopted by full council at a meeting on 17th May 2023

To be reviewed May 2027