

# Finance Self-Evaluation

LPC Name	CPSS
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Organisation size guide	
Please enter the number of contractors in your LPC area	472
Please enter the number of NHS ICS covered	3
Please enter the number of Top Tier Local Authorities covered	4
LPC Executive team details	Julia Powell

Date	13/02/25
Author	Julia Powell
List those involved in completing this self-assessment	CPSS Team

## Introduction

The questions in this checklist are designed to help LPC members to evaluate the LPC's performance against the legal requirements and core practice recommendations set out in the LPC Finance Guide. Committee Members should review their LPC's performance at least once a year.

The answers in the checklist should be based on the Committee Members' knowledge of what actually happens in the LPC and not what they expect to happen. You may choose to delegate the detailed work on financial controls to one or more committee members or to members of staff.

But all Committee Members remain responsible for LPC financial management and for implementing and monitoring internal financial controls. Having an internal control in place is only part of the picture. It must operate in practice to be effective.

## Checklist

### 1. General

1.1 Understanding and seeking advice and the LPC constitution	Yes	No
In accordance with section 3.1 of the model constitution, the Committee complies with the principles set out in the LPC Finance Guide	Yes	

### 2. Some key issues, monitoring arrangements and risk of fraud

2.1 Financial controls throughout the LPC	Yes	No
Is there segregation of duties and two signatories for banking arrangements?	Yes	
Do Committee Members (Finance Audit Subcommittee) carry out an annual review of the internal financial controls?		No
2.2 Monitoring activities	Yes	No
Are annual budgets of income and expenditure prepared, and approved by the Committee?	Yes	
Is performance measured against budgets at regular intervals and explanations sought for variances?	Yes	
2.3 Internal audit and audit committee	Yes	No
Has the Committee set up a Finance Audit Subcommittee as recommended in the Finance Guide?	Yes	
Are terms of reference in place for the Finance Audit Subcommittee?	Yes	
2.4 Information and communication	Yes	No
Are Committee Members provided with regular information about the financial performance of the LPC?	Yes	
Do Committee Members discuss the financial performance of the LPC at each of their meetings?	Yes	
Does any finance sub-committee report to the full Committee for final decision making?	Yes	
2.5 Committee Members' responsibilities	Yes	No
Are sufficient accounting records kept of all transactions?	Yes	
Have the Committee Members considered the need for a reserves policy and put in place a reserves policy if one is needed?	Yes	
Are there appropriate reserves to meet the financial commitments of the committee?	Yes	
Do the accounts use the standard CPE provided template (which incorporate standard and good practice)?	Yes	
Are the accounts presented at an Annual General Meeting of Pharmacy Owners and voted on?	Yes	
Are newly appointed Committee Members given a copy of the latest accounts?		No
Do the Committee Members file the annual report and accounts by the end of September each year with Community Pharmacy England and the NHS Integrated Care Board (via the Pharmacy Contracting Team)?	Yes	

Is the Annual Report and Accounts published in the open part of the LPC website?	Yes	
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<b>2.6 and 2.7 Managing the risks of financial crime and abuse</b>	<b>Yes</b>	<b>No</b>
Are Committee Members and staff made aware of why the LPC is at risk from financial crime and abuse and of typical examples of potential fraudulent activities, e.g. via the risk register?	Yes	
Does the LPC have policies and controls over access to and storage of electronic information?		No
Does the LPC have computer programmes to protect its data and systems from external interference?	Yes	
Does the LPC have procedures for reporting suspicions internally and to the police?		No

### 3. Income

<b>3.1 Type of income</b>	<b>Yes</b>	<b>No</b>
Has any non-mutual trading income been defined?	Yes	
Are project funds subject to an MoU and ringfenced?	Yes	

### 4. Purchases and payments

<b>4.1 Controls and authorisation of expenditure on goods and services</b>	<b>Yes</b>	<b>No</b>
Is there a written policy on the authorisation of expenditure and the amounts?	Yes	
Have financial systems and controls been documented and that these are formally approved by the committee?	Yes	
<b>4.2 Payments by direct debits, standing orders and BACS direct credit</b>	<b>Yes</b>	<b>No</b>
Are only named individuals authorised to set up direct debits, standing orders and direct credits?	Yes	
Does the LPC use a dual authorisation system for BACS payments?	Yes	
Does the LPC monitor the arrangements to ensure that automatic payment arrangements are cancelled when the goods and services are no longer being supplied to the LPC?	Yes	
<b>4.3 Wages and salaries</b>	<b>Yes</b>	<b>No</b>
Are statutory deductions (tax and NIC) made from employees' wages and salaries and regularly forwarded to HMRC? (legal requirement)	Yes	
Does the LPC comply with minimum wage legislation? (legal requirement)	Yes	
Are any other deductions from salaries made only where they are required or authorised? (legal requirement)	Yes	
Are the end-of-year returns (P60 and P11Ds) completed and filed with HMRC by the deadline? (legal requirement)	Yes	
If the LPC employs staff are the required pension arrangements in place? (legal requirement)	Yes	
Do all employees have contracts of employment, using the template provided by Community Pharmacy England?	Yes	

Are personnel records kept and held separately from wages records?	Yes	
Are salary levels properly authorised and recorded?	Yes	
Is there a system of authorisation for recording and notifying starters and leavers, changes of hours and other payroll changes?	Yes	
<b>4.4 The payment of expenses and reimbursements</b>	<b>Yes</b>	<b>No</b>
Does the LPC have a written policy based on the Community Pharmacy England template to cover the payment and reimbursement of expenses?	Yes	
Is the policy communicated to all Committee Members and staff?	Yes	
Are expenses reimbursed only where the individual incurred the expense in the course of carrying out the LPC's business?	Yes	
Does the expense claim include a self-declaration that the claim is accurate and incurred on the business of the LPC?	Yes	
If the LPC pays mileage rates for travel are the rates in accordance with HMRC approved rates?	Yes	
Is the Committee provided with an expenses management report through the financial year?	Yes	
<b>4.5 Checks on expenditure records</b>	<b>Yes</b>	<b>No</b>
Are regular checks made to ensure expenditure records are accurate and agree with the bank statements?	Yes – Treasurer	
Are regular checks made to ensure no discrepancies between the payments made and the original invoice/claim or payment records?	Yes – Treasurer	
Are checks made by someone other than the person who made the entry in the accounting records?		No

## 5. Assets and investments

<b>5.1 Controls over fixed assets</b>	<b>Yes</b>	<b>No</b>
Is a comprehensive asset register/list held and updated regularly?	Yes	
Are assets checked regularly to ensure they are still in good repair and are of use to the LPC?	Yes	
Has insurance cover been considered?	Yes	
Is the use of assets reviewed annually (to ensure put to best use and serving the LPC's interests)?	Yes	
<b>5.2 Money held as a current asset</b>	<b>Yes</b>	<b>No</b>
Are secure records held of all bank and building society accounts?	Yes	
Are bank statements regularly received and regular bank reconciliations carried out?	Yes – Treasurer	
Are instructions to open or close accounts properly authorised and reported to Committee Members?	Yes	
Are checks made to ensure that there are no dormant accounts?	Yes	
Are the accounts monitored to ensure there is no third party use?	Yes	
<b>5.3 Electronic banking</b>	<b>Yes</b>	<b>No</b>

If the LPC uses electronic banking to make payments does the system used require authorisation of transactions by two individuals?	Yes	
Are PCs kept secure with up-to-date anti-virus and spyware software and a personal firewall?	Yes	
Are Committee Members and staff made aware of the need to ensure that the LPC's security details (including the password and PIN) are not compromised?	Yes	
Is the PIN and password regularly changed, for example to mitigate the risks of compromising security when individuals leave the LPC?	Yes	
Does the LPC maintain a list of persons (Committee Members and staff) who are approved to have access to the PIN and password?	Yes	
Does the LPC keep an audit trail of electronic banking transactions?	Yes	
Have those using online banking facilities been trained in their use?	Yes	

## Action and improvement plan

Action	Description	Owner	Date identified
Annual Review of internal financial controls	Annual review of the internal financial controls checklist to be written and implemented for first meeting of every new financial year.	CEO	13/02/25 Completed 04/03/25
Reserves Policy	Reserves agreed – write and implement as a reserves policy.	CEO	13/02/25 Completed 04/03/25
New members	Add to new members pack the latest accounts.	CEO	13/02/25 Completed – Ongoing
Access to storage of electronic information	Policy for controls over access to and storage of electronic information to be written and implemented.	CEO	13/02/25 Completed 16/03/25
Reporting suspicions	Procedures for reporting suspicions internally and to the police to be written and implemented.	CEO	13/02/25 Completed 16/03/25
Controls on expenditure	Expenses policy and scheme of delegation	CEO	13/02/25 Completed 06/03/25

	in place – check the scheme of delegation covers purchases made that don't go via expenses e.g. using CPSS debit card		
Checks on expenditure records	Checks to be made by someone other than the person who made the entry in the accounting records.	CEO	13/02/25 Completed 06/03/25 Process now in place with MC.