

# **WHIMPLE PARISH COUNCIL INTERNAL CONTROL POLICY AND PROCEDURE**

## **Scope of Responsibility**

Whimple Parish Council (the Council) is a local authority funded by public money and is responsible for ensuring its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, used economically, efficiently and effectively.

In meeting this responsibility, assurance is required that there is a sound system of internal control, and that the Council's accountability framework is 'risk' based; proportionate to that risk and to the amounts of public money involved and to the stakeholders' need for assurance.

## **The Purpose of the System of Internal Control**

The system of internal control is designed to ensure that risks are managed to a reasonable and acceptable level forming part of an ongoing process designed to identify and prioritise the risks to the authority's policies, aims and objectives and to evaluate and manage those risks accordingly.

## **The Internal Control Environment**

### The Council:

- Appoints a Chairperson to be responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful with the Parish Clerk's advice.
- Reviews its obligations and objectives and approves budgets for the following year at its December or January meeting. This meeting also approves the level of precept for the following financial year.
- Meets monthly (except for August) and monitors progress against its aims and objectives, and any projects.

### The Parish Clerk and Responsible Financial Officer:

- Is appointed by the Council to act as the Council's advisor and administrator
- Is the Council's Responsible Financial Officer and is responsible for administering the Council's finances.
- Is responsible for the day-to-day compliance with laws and regulations that the Council is subject to, and for managing risks.
- Ensures that the Council's policies and procedures and control system are adhered to and reviewed on a regular basis.

- Is appointed by the Council to act as the Proper Officer
- Is appointed by the Council to act as the Data Protection Officer

#### Payroll Controls:

- The Parish Clerk and Responsible Financial Officer has a contract of employment with clear terms and conditions.
- Salary is paid to agree with that approved by the Council
- PAYE is being properly operated by the Council as an employer and monthly submissions are made to HMRC
- Payments are reported to the Council for approval

#### **Income**

- Is banked in the Council's name in a timely manner and report to the Council

#### **Risk Assessments (Risk Management)**

- Assessments are carried out in respect of actions, systems and controls are regularly reviewed.

#### **The Internal Audit**

- Is carried out by an independent Internal Auditor who reports to the Council on the adequacy of its records, procedures, systems, internal controls, regulations and risk management reviews.

#### **Standing Orders**

- The Council has adopted the National Association of Local Councils (NALC) Model Standing Orders
- The Council reviews and approves the Standing Orders at the Annual Meeting each year.

#### **Financial Regulations**

- The Council has adopted the NALC Model Financial Regulations
- The Council reviews and approves the Financial Regulations at the Annual Meeting each year.

#### **V.A.T.**

- V.A.T. payments are identified, recorded and reclaimed.

## **Asset Register**

- The Council maintains a register of all material assets owned, or in its care.
- The Parish Clerk and Responsible Financial Officer updates the Asset Register as and when necessary.
- The Asset Register is reviewed and approved at least annually by the Council.

## **Insurance**

- The Council's insurance provision is reviewed at the end of each contract period, both in relation to its schedule of cover and also its value for money.

## **Code of Conduct**

- Each councillor must sign a declaration of acceptance of Office when becoming a councillor, which confirms they will abide by the Code of Conduct.
- Each councillor must complete a Register of Interest form within 28 days of signing the declaration of acceptance of office form, and return it to the Parish Clerk and Responsible Financial Officer.
- Each councillor must consider the items of business on each agenda and ensure that any interest is declared at the beginning of the meeting or before the matter is discussed.
- An item of business 'declarations of interest' will be placed on every agenda.
- The Code of Conduct is reviewed and approved annually by the Council at the Annual Meeting.