

BEYTON PARISH COUNCIL

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Statement of Internal Control for Beyton Parish Council

Introduction

The purpose of this document is to identify potential financial risks facing Beyton Parish Council (hereafter know as 'the Council) and how those risks can be managed.

Beyton Parish 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 and properly accounted, used economically, efficiently and effectively.

In meeting this responsibility assurance is required that there is a sound system of internal control and that the Councils accountability framework is 'risk' based proportionate to that risk and to the amounts of public money involved.

The system of internal control is designed to ensure that risks are managed to a reasonable level forming part of an ongoing process designed to prioritise the risks to the authorities aims and objectives and to evaluate and manage those risks accordingly.

The Council

- Appoints a Chairman in accordance with the Local Government Act 1972 to be responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful, taking into account all necessary professional advice from the Clerk/Responsible Financial Officer.
- Reviews its obligations and objectives and approves the budget for the following year at its January meeting. This meeting also approves the level of precept for the following financial year.
- Meets a minimum of ten (10) times each year and monitors progress against its aims and objectives including financial procedures, budgetary control.

The Parish Clerk/Responsible Financial Officer (RFO)

- The Council appoints a Clerk and Responsible Financial Officer who acts as the Council's advisor and administrator.
- The Clerk/RFO is responsible for administering the Council's finances and is responsible for advising on the day to day compliance with laws and regulations that the Council is subject to and for managing risks.
- The Clerk/RFO also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

- The Clerk will minute any incidents where members agree on a resolution which is contrary to advice received from the RFO. For legal reasons, the voting will also be recorded on those minutes.
- A staffing working party is formed and meets annually with the Clerk/RFO.

Payroll Controls

- All employees have contracts of employment with clear terms and conditions.
- Salaries paid are agreed and approved by the Council.
- PAYE and NIC, as appropriate, are properly operated by the Council as an employer and monthly submissions are made to HMRC under Real Time Information.
- Workplace pensions are offered to all eligible staff and the Council re-enrol every three years.

Payments

- All expenditure must be authorised by the Council, or by a committee having delegated authority (none currently in existence).
- All items of expenditure are reported to full Council for approval each month by way of an official list circulated to all Council members three days prior to the meeting. Minute numbers are recorded against the payments.
- All payments are made by cheque or internet. Cheque payments are signed by any two Councillors (excluding the Chairman and the Councillor monitoring bank statements) who also sign and date the relevant invoice and initial the counterfoil. Internet payments follow the Internet banking procedure. No member of Council staff can make payments or sign cheques.
- A full monthly bank reconciliation is carried out and bank balances noted on the minutes. A Councillor other than the Chairman or account signatory is appointed to verify bank reconciliations for all accounts each month.

Income

- All money received is to be banked within 7 days of receipt, where possible.

Risk Management and Risk Assessments

- Assessments are formally maintained and constructed/reviewed in respect of all relevant duties/activities of the Council. Internal Control Systems and individual risk assessments are regularly reviewed and at least once each financial year in accordance with the Accounts and Audit Regulations.

Internal Audit

- Is carried out by an independent Internal Auditor agreed at the January meeting of the Parish Council.
- The Internal Auditor reports to the Council on the adequacy of its records, procedures, systems, internal control, regulations and risk management reviews.

External Audit

- The Council's External Auditors submit an annual Certificate of Audit, which is presented to the full Council.

Standing Orders

The Council has adopted the Model Standing Orders as recommended by the National Association of Local Councils (NALC) and reviews updates as necessary.

Financial Regulations

The Council has adopted the Model Financial Regulations as recommended by the National Association of Local Councils (NALC) and reviews updates as necessary.

VAT

Payments are identified and recorded monthly and approved by Council. The VAT is reclaimed annually from HMRC.

Asset Register

The Council maintains a register of all material assets owned or in its care. The Clerk issues updates as and when necessary and is reviewed and approved at least annually by full Council.

Insurance

The Council's insurance provision is reviewed at least annually both in relation to its schedule of cover and its value for money. The insurance cover is compared with the Council's list of assets on an annual basis to ensure that all assets are appropriately and adequately covered by insurance.

Code of Conduct

Each member agrees to accept the Code and completes a Register of Interest form. Members to consider all items on the agenda and ensure that any interest is declared at the beginning of the meeting or before the matter is discussed.

An item 'Declarations of Interest' will be placed on every agenda.

Review of Effectiveness

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control, which should include a review of the effectiveness of internal audit. The results of that review must be considered by the Council and the Council must also approve the Statement on Internal Control.

Reviewed and adopted by full Council at its meeting in September 2020

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