WEST ITCHENOR PARISH COUNCIL

STATEMENT OF INTERNAL CONTROL

Scope of Responsibility

West Itchenor Parish Council is the first tier of local government and is funded by public money. It is responsible for ensuring its business is conducted in accordance with the law and proper standards and procedures and that public money is safeguarded, properly accounted for and used efficiently and effectively

To meet this responsibility assurance is required showing that there is a sound system of internal control and the Council's accountability framework is risk based and is both proportionate to that risk and to the amount of public money involved.

The Purpose of the Internal Control System

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

The Internal Control Environment

The Council:

- Appoints a Chairman at the annual meeting of the Parish Council in May to be responsible for the smooth running of meetings and for ensuring, with the Clerks advice, that all Council decisions are lawful
- Reviews its plans and proposes budgets for the following year at either the November meeting
- Approves the budget at the January meeting, this meeting also approves the level of the precept for the following financial year
- Meets 6 times a year, with extra meetings if required
- Undertakes bi-monthly reviews and approves costs against budget via the financial statement

The Clerk/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 and monitoring the Councils 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 procedures, control system and policies are adhered to.

Payroll Controls

- The Clerk has a contract of employment with clear terms and conditions

- Salary paid to pay scale agreed by full council
- PAYE is being properly operated by the Council as an employer and monthly submissions are made to HMRC using their Real Time Information tool, with quarterly physical payments made and listed on the statement of payments ratified at every full Council meeting.

Risk Assessment (Risk Management)

- The Council has a Risk Assessment/management document which is reviewed annually in March
- The Effectiveness of Internal Control document will be reviewed annually in March
- The Internal Control policy will be reviewed annually in March

External Audit

- The Council is currently subject to an external audit. Additionally, it conforms with the Transparency Code although not required to do so
- This code dictates that from July 2015 various information must be published annually on the Council website. In addition, all minutes and agendas and papers must be available to residents via the website. The Parish Council has adopted this code regardless of turnover

Internal Audit

- Is carried out by an independent Internal Auditor who provides a report to the Council on the adequacy of its records, procedures, systems, internal controls, regulations and risk management review
- To meet Transparency Code requirements the report is published on the Councils website
- Effectiveness of Internal Audit is reviewed annually

Standing Orders

- The Council has adopted Model Standing Orders as recommended by NALC. These are reviewed annually in May, but are amended as new laws come into effect in between
- These are published on the Council's website

Financial Regulations

- The Council has adopted the Model Financial Regulations, which are reviewed annually in May, but are amended if new laws come into effect in between
- These are published on the Council's website

VAT

- VAT payments are identified in the cashbook and are reclaimed annually

Asset Register

- The Council maintains a register of all material assets owned or in its care
- The assets are reviewed annually each year March
- The asset list forms part of the Transparency Code requirements and is available on the Council's website

Insurance

- The Council holds the relevant insurance cover

Code of Conduct

- Councillors follow the Code of Conduct adopted from Chichester District Council. Councillors must complete Register of Interest forms (RoI) and ensure they remain up to date.
- The RoI are available to view on the Parish Council website
- Councillors are responsible for ensuring that they declare any interests at the start of the meeting

Documents attached to Internal Control Statement

- Risk Assessment/Management document
- Internal Controls policy
- Essential tool for effective governance