COOKLEY AND WALPOLE PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2020:

1. SCOPE OF RESPONSIBILITY

Cookley and Walpole Parish Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Council is responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council:

The Council reviews its obligations and objectives and approves budgets for the following year at its November Meeting. The November Meeting of the Parish Council approves the level of precept for the following financial year.

The Full Council meets ten times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Parish Clerk.

The Council carries out regular reviews of its internal controls, systems and procedures. Please see the attached Report.

Clerk to the Council/Responsible Finance Officer:

The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk 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 also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

Payments:

All payments are reported to the council for approval. Two members of the council must sign every cheque or order for payment. The signatories should consider each payment against the relevant invoice and initial the cheque counterfoil. All authorised cheque signatories are members of the Council. No officer of the Council can sign cheques.

Income:

All income is received and banked in the Council's name in a timely manner and reported to the Council.

Risk Assessments/Risk Management:

The Council reviews its risk assessment annually and regularly reviews its systems and controls.

Internal Audit:

The Council appoints an independent and competent Internal Auditor who reports to the Council on an Annual basis on the adequacy of it's:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management

External Audit:

The Council's will generally apply for a Certificate of Exemption from an External Limited Assurance Review unless the Council finds it is obliged to have one or the Council views it as advantageous.

4. 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 the Internal Audit. The results of that review must be considered by the Council, which should also approve the Statement of Internal Control.

Zoë E. Mair ..... Paul Wilkinson .....

Chairman RFO/Clerk

Approved and adopted by Cookley and Walpole Parish Council)

Meeting date:

Item 15, 4th May 2020

COOKLEY AND WALPOLE PARISH COUNCIL

INTERNAL CONTROL REPORT

The Accounts & Audit (England) Regulations 2015 aims to strengthen governance and accountability through requirements related to internal control and internal audit.

Whilst the Parish Council has reviewed the effectiveness of the internal audit (independence, competence, proportionate and scope), it has a requirement levied on it to ensure that its financial management is adequate and effective and that it has a sound system of internal control:-

'The regulations require active participation by members in providing positive assurance to the electors of their stewardship of public money. The framework of accountability is risk-based i.e. level of control and management must be appropriate to the risk involved. The Council must determine the most appropriate method of internal control....care should be taken to ensure that internal control tests are proportionate and relevant and that they are neither seen as, nor intended as, undue interference in the RFO's day to day management of financial affairs.'

As part of its internal control, Cookley and Walpole Parish Council has appointed a non-signatory Councillor to conduct a review of the system of internal control via the following tests on a quarterly basis with a written report of any findings to be submitted to the Council and minuted as received.

CONTROL TEST	TEST DONE	COMMENTS – check documents and initial
	Yes or No	
Ensuring an up to date Register of Assets	yes.	J.W.
Regular maintenance arrangement for physical assets	yes.	J.W.
Annual review of risk and the adequacy of Insurance cover	yes	J.W.
Annual review of financial risk	yes.	J.W.
Awareness of Standing Orders and Financial regulations	yes.	J.W.
Adoption of Financial and Standing Orders	yes.	J.W
Regular reporting on performance by contractors	yes.	J.W.
Annual review of contracts (where appropriate)	yes.	J.W
Regular bank reconciliation, independently reviewed	yes.	J.W
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	yes.	J.W

Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	yes.	J.W.
Payments supported by invoices, authorised and minuted	yes.	J.W
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	yes.	J.W
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	yes	J.W
Contracts of employment for staff Contract annually reviewed Updating records to record changes in relevant legislation PAYE/NIC properly operated by the Council as an employer	yes.	J.W.
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	yes	J.W.
Regular financial reporting to Parish Council	yes	
Regular budget monitoring statements as reported to Parish Council	yes	J.W.
Compliance with 2014 Regulations: Officer Decision Reports	yes	J.W.
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	yes.	J.W.
Minutes properly numbered and paginated with a master copy kept in for safe-keeping	yes	J.W
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	yes	J.W
Adoption of Codes of Conduct for Members	yes.	J.W.
Declaration of Acceptance of Office	yes.	J.W

Date of review of system of Internal Controls 14 March 2020.

Review of system of Internal Controls carried out by:

Name John WINTER Signature J Winter

Report submitted to Council (date) 14/3/2020.

(Minute reference) ITEM 15 4/5/20 Minutes

Next review of system of Internal Controls due March 2021.

Additional comments by reviewer: