

Langdon Parish Council

STATEMENT OF INTERNAL CONTROL

(Reviewed 15th May 2023 Resolution 23-05/11)

Scope of Responsibility

Langdon Parish Council 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 Chairman to be responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful with the Clerk's advice.
- reviews its obligations and objectives, setting a budget for the following year at its January meeting. This meeting also approves the level of precept for the following financial year and issues a demand notice on Dover District Council.
- meets at least 12 times each year (the ordinary meetings take place monthly; the Annual General Meeting is held in May) and monitors progress against its aims and objectives.

The Parish Clerk to the Council/Responsible Financial Officer:

- is appointed by the Council to act as the Council's advisor and administrator.
- is the Council's Responsible Financial Officer (RFO) 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 procedures, control system and policies are adhered to.
- meets regularly (at least monthly) with the chairman to monitor finances and other business matters. The RFO, Chair and Vice-Chair hold an annual pre-budget planning meeting in November before presenting a draft budget in December.

Payroll Controls:

- the clerk has a contract of employment with clear terms and conditions.
- the clerk's salary is agreed and authorized by the full council in line with the NALC annual clerk's pay scales.
- PAYE is being properly operated by the Council as an employer and quarterly submissions are made to HMRC.

- Automatic pension enrolment is a Government initiative that obliges employers to offer access to a pension and under certain circumstances contributions towards that pension. The council is registered with NEST, (the National Employment Savings Trust) should future employees wish to join a pension scheme.

Contracts and Purchases

- All quotes and purchase contracts are approved by the full council and authorised by the RFO.

Payments:

- payments within the Council's normal course of business are published and approved at the monthly council meetings. Payment trails are examined by councillors for accuracy.
- are made by cheque.
- cheque payments are signed by 2 authorised signatories and the counterfoil initialled.
- urgent payments outside the Council's normal course of business are approved by the Chairman and RFO are reported retrospectively to the Council for approval.

Income:

- is banked in the Council's name with NatWest plc in a timely manner and reported to the Council.
- risk management assessments are carried out in respect of actions, systems and controls and are regularly reviewed by councillors using the quarterly financial reports.

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 its own Standing Orders which are based on the Model Standing Orders as recommended by NALC.

Financial Orders:

- the Council has adopted and reviews updates as necessary each year.

VAT:

- VAT payments are identified, recorded and reclaimed.

Petty Cash:

- all petty cash expenditure is recorded, supported by receipts and reimbursed at regular intervals.

Asset Register:

- the Council maintains a register of all material assets owned or in its care. The Clerk will update the asset register as and when necessary and to be approved annually.

Insurance:

- The Council's insurance provision is reviewed annually both in relation to its schedule of cover and also its value for money.

Code of Conduct:

- The Council has adopted Dover District Council's Code of Conduct.
- Each members must sign Acceptance of the Code and complete a Register of Interest form. Members must consider every item on the agenda and ensure that any pecuniary interest is declared at the beginning of the meeting or before the matter is discussed.
- an agenda item 'Declarations of Interest' will be placed on every agenda.