

# Broadhempston Parish Council

## INTERNAL CONTROL POLICY

### Scope of Responsibility

Broadhempston 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, 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 Chair 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 and approves budgets for the following year in addition to approving the level of precept for the following financial year.
- Meets at least 11 times each year and monitors progress against its aims and objectives.

The 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 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 systems and policies are adhered to.

### Payroll controls

The clerk has a contract of employment with clear terms and conditions.

PAYE is properly calculated by the council's payroll contractor, and the clerk ensures that timely payments are made to HMRC.

Payments are reported to the council for approval and are made via internet bank transfer.

### Income

Income is banked in the council's name in a timely manner and reported to the council.

### Risk assessments (risk management)

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

### Internal audit

The internal audit is carried out by an independent internal auditor who reports on the adequacy of council records, procedures, systems, internal controls, regulations and risk management reviews.

### **Standing Orders**

The council has adopted the Model Standing Orders.

### **Financial Regulations**

The council has adopted, and reviews and updates financial regulations regularly

### **VAT**

VAT payments are identified, recorded and reclaimed.

### **Asset Register**

The council maintains a register of all material assets owned or in its care. The clerk updates as and when necessary.

### **Insurance**

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

### **Code of Conduct**

Each councillor must sign an Acceptance of the Code and complete a Register of Interest form.

Councillors must consider every item on each 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 included on every agenda.

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