

# **BICKLEIGH PARISH COUNCIL**

The Council Office, The Woolwell Centre, Darklake Lane, Woolwell, PL6 7TR

Tel 07508 324699

E-Mail: [parishclerk@bickleigh.gov.uk](mailto:parishclerk@bickleigh.gov.uk)

## **BICKLEIGH PARISH COUNCIL STATEMENT ON INTERNAL CONTROL**

### **1. SCOPE OF RESPONSIBILITY**

Bickleigh Parish Council (the 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, used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is also 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 ongoing 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 has appointed a Chairman who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful.

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

The Council meets 10 times a year and monitors progress against its aims and objectives contained in the budget at each meeting by receiving relevant reports from

Reviewed by the budget and finance working group on 12<sup>th</sup> May 2020 – AGSWG (WG5)

Approved by full parish council 28<sup>th</sup> May 2020, Minute 7/20(e)

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the Parish Clerk, the Finance Working Group and a Councillor responsible for checking and signing the accounts.

The Council will carry out regular reviews of its internal controls, systems and procedures.

## **Clerk to the Council / Responsible Financial Officer**

The Council has appointed a Clerk to the Council who acts as the Council's Proper Officer and advisor. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk is responsible for the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.

## **Payments**

Where possible, payments are to be made electronically by the Clerk. Two members of the Council must authorise every payment through signature of invoices and / or a list detailing payments. All payments, with the exception of standing items, are to be reported to the Council for approval in the minutes. All other items will be reported and noted in the minutes.

Payments made between meetings, which fall under delegated authority or are pre authorised are noted at the next Council meeting.

Councillors with pecuniary interests do not take part in any voting relating authorising payments where they have declared an interest.

Authorised signatories who have a personal or pecuniary interest relating to invoices requiring electronic payment should not authorise the payment.

Payments will only be made if a minimum of two signatories are present in the meeting.

## **Receipts**

All payments received are banked in full.

## **Petty Cash**

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From May 2020 the Council will no longer operate a petty cash system.

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## **Prepaid card**

The Clerk will arrange the council's use of a prepaid card. This will be used as an alternative to the petty cash system. The maximum value of the card will be £50.00. Secure arrangements will be made for the storage of the card.

## **Risk Assessments/Risk Management**

The Council will undertake regular risk assessments in respect of actions and regularly reviews its systems and controls.

## **Internal Audit**

The Council must appoint an Independent Internal Auditor who reports to the Council on the adequacy of its records, procedures, systems, internal control, regulations, risk management and reviews.

The effectiveness of the internal audit is to be reviewed annually.

## **External Audit**

The Council's external auditors, PKJ Littlejohn LLP, submit an annual Certificate of Audit which is presented to the **Council**.

## **4. REVIEW OF EFFECTIVENESS**

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of:

- The full Council
- The Clerk to the Council/Responsible Finance Officer who has responsibility for the development and maintenance of the internal control environment and managing risks
- The Independent Internal Auditor who reviews the Council's system of internal control
- The Council's external auditors who make the final check using the Annual Return, a form which is completed and signed by the Responsible Finance Officer, the Chairman and the Internal Independent Auditor, and issue an annual audit certificate.

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- The number of significant issues that are raised during the year.

## **5. SIGNIFICANT INTERNAL CONTROL ISSUES**

The Council strives for the continuous improvement of the system it has adopted for internal control and will address all the major issues and weaknesses reported during the review progress.