**Welford Parish Council**

**STATEMENT OF INTERNAL CONTROL**

Welford 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 accounts for and 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 as required by Section 1 of the Annual Return – Annual Governance Statement.

Therefore, the following system has been put in place to minimise significant financial and corporate governance risks to Welford Parish Council and 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.

1. Financial appointments including the bank signatories and the Internal Controller are agreed at the Annual Meeting in May of each year.

2. Details of the Council’s business including financial transactions (payee, purpose of expenditure, cheque number, BACS transfer, amount and statutory provision plus income due) are published in the agenda/summons to meetings notice, which is published three clear days before the Council meeting proceeds, both on the village notice board and on the Parish Council website.

3. Details of all the Council’s decisions including financial transactions approved at the Council meetings are minuted. These minutes are published on both the village notice board and on the Parish Council website.

4. Any payment made by the Parish Council will only be made in accordance with the Financial Regulations and Standing Orders of the Council.

5. Any cheque payment made must be signed by two Councillors who are bank registered signatories. All payments are to be published on the Council meeting agendas and agreed at the monthly meetings prior to the cheques being signed and the payments being made. Incomplete cheques will not be authorised.

6. All online banking transactions are to be published via the monthly meeting agendas and agreed by Council prior to any payment being made. Some BACS/DD transfers are subject to a contract requiring a fixed monthly or annual payment such as SSE for lighting and ICO, which are verified by Council. All BACS payments are to be made by the Clerk/RFO and approved by two Councillors who are registered to make payments. The Clerk/RFO has full access to the online bank accounts for monitoring purposes. Online banking is only to be used and accessed by the Clerk/RFO and Councillors who are registered for the relevant access to enable monitoring of all of the online accounts for both income and payments.

7. Whilst the aim is to approve all invoices prior to payment, in exceptional circumstances the Chairman with the approval of one other Councillor may authorise a payment between meetings provided that such a payment is ratified at the next full meeting of the Council.

8. Quarterly reports showing income and expenditure against budget are presented, discussed and approved at Council meetings.

9. A draft Budget is presented to Council in December/January each year, showing comparisons with previous years and the current year’s actual expenditure. Following discussion at a Council meeting(s), the Budget is finalised so that the Precept request can be submitted to Daventry District Council before the end of January.

10. The RFO/ Clerk ensure that the amount of the precept received is correct and in accordance with the precept request sent to the District Council and this is confirmed at the next available full Council meeting.

11. The RFO/Clerk is to ensure that any other receipts are received when due and correctly calculated with a receipt issued, which should be confirmed at the next available full Council meeting.

12. Details of all financial transactions are methodically recorded including the relevant minute reference.

13. The Clerk is paid monthly by online BACS transfer and each payment is approved by Council members accordingly. PAYE is applied and all the relevant returns filed on line.

14. Appointment of contractors is carried out with reference to the Standing Orders and Financial Regulations and minuted accordingly.

15. Councillors, the Internal Controller and the RFO/Clerk, should have had relevant financial management training and experience. Training opportunities and workshops, offered by NCALC and others, are discussed by Council and the Clerk and/or Councillors are encouraged to attend where relevant.

16. All minutes of meetings are sequentially numbered using the following system; year prefix followed by sequential number, e.g. YY/001, until minute number 999 is reached and the number then reverts back to 001. The master copy is kept in the minute book and on the Clerk’s computer which is backed up to the cloud. Minutes are also posted on the village notice-board and on the Parish Council website.

17. Planning applications are circulated electronically, with a link to the District Council being available from the Parish Council website.

18. Councillor’s sign up to a Code of Conduct annually and the register of interests is reviewed annually and updated throughout the year as necessary. The register of members interests is can be found on the Parish Council website.

19. Each agenda includes an item for declaration of member’s interests. These are declared verbally and then recorded in a log book and minuted.

20. The Clerk has a contract of employment, with performance reviewed annually and their salary for the coming year approved by Council. The review includes looking at working arrangements, record keeping, and the outcome of the review is discussed at the next full Council meeting.

21. The Parish Council has adopted the Freedom of Information code and requests made by the public for inspection of Council records, are dealt with under this code.

22. The Parish Council subscribes to the NCALC internal audit programme, which is conducted on an annual basis.

23. VAT returns are submitted at the end of the financial year or biannually if necessary. The amount of VAT refunded is checked by the Clerk/RFO and reported at the next full Council meeting.

24. The Council’s Financial Regulations are reviewed annually by the Clerk/RFO and the Internal Controller, and any amendments are put to Council for approval. The Financial Regulations are published on the Parish Council website and held centrally by the Clerk/RFO.

25. The Asset Register, Bank Reconciliations, Risk Register and Internal Controls are reviewed annually by the Internal Controller and Clerk/RFO, with the documents presented to Council for approval.

26. The Parish Council’s appointed Internal Controller inspects the accounts monthly to ensure all reported items and the bank accounts reconcile with any discrepancy being reported to Council.

Chairman ……………………………………….

Date …………………………………………….