



Manston Parish Council

Parish Clerk – Mrs Elizabeth Carr

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INTERNAL CONTROL POLICY

1. SCOPE OF RESPONSIBILITY

Manston 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, properly accounted for, and used economically, efficiently and effectively.

To discharge this responsibility, the Council maintains a sound system of internal control, including arrangements that support compliance with Section 1 of the Annual Governance Statement and its ten assertions.

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 eliminate all risk of failure to achieve the Council's policies, aims and objectives. It provides reasonable, not absolute, assurance of effectiveness.

The system is based on an ongoing process to identify and prioritise risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and impact of those risks, and to manage them efficiently, effectively and economically.

The Council has in place Standing Orders and Financial Regulations, which set out the general rules applicable at Council and committee meetings and in carrying out the Council's business. These documents are reviewed regularly and form a key part of the internal control framework.

This policy sets out the internal control environment that the Council maintains at all times.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council

- The Council appoints 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, objectives and budgets annually as part of its financial planning cycle.
- The full Council meets regularly (normally at least 11 times each year) and monitors progress against its aims and objectives at each meeting through reports from the Parish Clerk.
- The Council carries out regular reviews of its internal controls, systems and procedures.

Clerk to the Council / Responsible Financial Officer

- The Council appoints a Clerk who acts as the Council's advisor and administrator.

- The Clerk is also the Responsible Financial Officer and is responsible for administering the Council's finances.
- The Clerk ensures day-to-day compliance with laws and regulations, manages risks, and ensures that the Council's procedures, control systems and policies are adhered to.

Payments

- All payments are reported to the Council for approval.
- Two Members of the Council must authorise every online bank payment and cheque (where applicable).
- Direct debit arrangements are reviewed annually.

Income

- All income is received and banked in the Council's name in a timely manner.
- Income over £100 is reported to the Council at the next meeting.
- All income received is reported quarterly.

Risk Assessments / Risk Management / Risk Register

- The Council carries out regular risk assessments.
- Risks are identified, assessed, addressed and recorded in a risk register.
- The risk register is reviewed and updated routinely.

Internal Audit

The Council appoints an Independent Internal Auditor who reports to the Council on the adequacy of its:

- records
- procedures
- systems
- internal control
- regulations
- risk management
- reviews
- data management

The effectiveness of the internal audit system and audit plan is reviewed annually.

External Audit

The Council's External Auditors, MAZARS LLP, submit an annual report and Certificate of Audit, which is presented to the Council.

4. REVIEW OF EFFECTIVENESS

The Council is responsible for ensuring the ongoing effectiveness of the system of internal control. This is informed by the work of:

- the full Council
- the Clerk / Responsible Financial Officer
- Councillors appointed to conduct internal control checks
- the Independent Internal Auditor
- the Council's External Auditors
- any significant issues identified during the year

5. SIGNIFICANT INTERNAL CONTROL ISSUES

Any significant issues identified by the internal or external auditor will be formally logged, and an action plan will be prepared to ensure they are addressed and resolved.