# Burton Latimer Town Council

The Harold Mason Centre
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## STATEMENT ON INTERNAL CONTROL

### SCOPE OF RESPONSIBILITY

Burton Latimer Town Council is a local authority funded by public money, and 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, and used economically, efficiently and effectively.

The Council has adopted the model NALC Financial Regulations 2018, which fully explains procedures, and sections of such are used through this policy

### 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.

### THE INTERNAL CONTROL ENVIRONMENT

#### The Council

The Council reviews its obligations and objectives and approves a budget for the following year at its November or December meeting. The approved annual budget shall form the basis of financial control for the ensuing year.

The Council meets at least 11 times each year.

Each quarter a member (other than a bank signatory) shall be appointed to perform an Internal Control. This member works through the Internal Control Checklist and makes any comments where necessary. The member shall either sign the reconciliations and the original bank statements (or similar document) as evidence of verification or the checklist. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.

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

The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The Council has also appointed a separate Responsible Financial Officer who is responsible for administering the Council's finances. The Town Council have approved Model Financial regulations which form the basis of control of payment processes and quarterly budget monitoring

| Area of control | Person Responsible | Comments |
|---|---|---|
| • Keeping of proper financial records in accordance with statutory requirements | RFO | Financial management is carried out by the RFO under the guidance of the Town Clerk |
| • Ensuring all business activities are within legal powers applicable to local Councils | Clerk/Town Council | |
| • Ensuring compliance with restrictions on borrowing | RFO/Town Council | |
| • Ensuring compliance with all requirements under employment law and regulations | Clerk/Town Council | |
| • Ensuring compliance with HMRC Notices and Regulations | RFO | |
| • Ensuring the adequacy of the annual precept within sound budgetary arrangements | Clerk/RFO/Town Council | |
| • Proper, timely and accurate reporting of Council business in the Minutes | Clerk | |
| • Responding to electors wishing to exercise their right of inspection | Clerk | |
| • Ensuring the proper use of funds granted to local bodies under specific powers or under Section 137, Power of Wellbeing (etc) | Clerk/RFO/Finance & Policy Committee/Town Council | It is recognised that numerous areas are under the day to day control of the Clerk to the Town Council and there needs to be regular liaison with elected Members, especially in relation to financial areas. |
| • Meeting the laid down timetables when responding to consultations | Clerk/Cllrs | |
| • Proper document control | Clerk/Cllrs | |
| • Register of Member's; Interests and gifts and hospitality in place, | Cllrs | |

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|---|---|---|
| complete and up to date | | |
| • Regular scrutiny of financial records and proper arrangements for the approval of expenditure | Clerk/RFO/Cllrs | |
| • Regular budget monitoring statements | RFO | |
| • Regular Bank Reconciliations | RFO | |
| • Minutes are properly numbered with a master copy in safe keeping | Clerk | |
| • Adoption of codes of Conduct for Members | Town Council | |

**Internal Audit**

The Council has appointed an Independent internal auditor (NCALC) who will report to the Council on the adequacy of its records, procedures, systems, internal control and risk management. Terms of Reference from NCALC are attached.

Approved and adopted by Burton Latimer Town Council

on……..

Adopted Review annually

Adopted Review annually