



## STATEMENT OF INTERNAL CONTROL POLICY

Yelvertoft 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 Yelvertoft 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, and as and when updates are required.
2. Details of the Council's business including financial transactions (payee, purpose of expenditure, cheque number, BACS transfer, Paypal payment, 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 the Parish Council website and available from the Clerk.
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. They will also initial the cheque stubs to endorse the invoices requiring payment. 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 annual payment such as the PWBL and ICO, which are verified by Council annually. All BACS payments are to be made by the Clerk/RFO and checked by two councillors. 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 hold the relevant online security tokens/access to enable monitoring of all of the online accounts for both income and payments.

7. Payments to be made using the Parish Council debit card are to be published via the monthly meeting agendas and agreed by Council. The debit card is only to be used to purchase equipment / supplies up to a maximum of £500 per transaction by the Clerk/RFO, which has been previously agreed by Council. Only the Clerk/RFO has full access to the debit card PIN, of which is kept securely.

8. General Power of Competence spend will be recorded in a separate column within the accounts.

9. Whilst the aim is to approve all invoices prior to payment, in exceptional circumstances the Clerk or Chairman may authorise a payment between meetings provided that such a payment is ratified at the next full meeting of the Council.

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

11. A draft Budget is presented to Council in November/December each year, showing the current year's actual income and expenditure. Following discussion at a Council meeting(s), the Budget is finalised so that the Precept request can be submitted to the Wets Northamptonshire Council (WNC) before the end of January.

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

13. 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.

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

15. The Clerk is paid monthly by online BACS transfer and each payment is approved by Council members accordingly. PAYE and agreed pension provision is applied where applicable and all the relevant returns filed online.

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

17. Councillors 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.

18. All minutes of meetings are sequentially numbered using the following system; year prefix followed by sequential number, e.g. YY/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 noticeboard and on the Parish Council website.

19. Planning applications are circulated electronically, with a link to the WNC being available.

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

21. Each agenda includes an item for declaration of member's interests. These are declared verbally and then minuted.
22. 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 reported at the next full Council meeting.
23. 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.
24. The Parish Council subscribes to the NCALC internal audit programme, which is conducted on an annual basis.
25. The Parish Councils' insurance policy includes a fidelity guarantee limit. The cover provided by the Insurance Policy and the level of premium is reviewed annually.
26. The Council's Financial Regulations are reviewed annually by the Clerk/RFO 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.
27. The Asset Register, Bank Reconciliations, Risk Assessments, and Internal Controls are reviewed annually by full Council, or as and when updates are required.
28. All bank statements are copied to the Chairman to check payments have been made appropriately, and all income and expenditure has been reported to full Council.
29. The Clerk makes BACS payments as approved by full Council. Two councillors log into the bank to approve the payments.

Adopted at the Full Council meeting: 14<sup>th</sup> June 2021

Reviewed at the Full Council meeting 9<sup>th</sup> May 2022

Reviewed at the Full Council meeting 15<sup>th</sup> May 2023

Review date: May 2024