Statement of Internal Control Adopted adopted by Kingston Parish Council dated 16th May 2019

Introduction

1. Kingston Parish Council (the Council) is a local authority funded largely by public money and is responsible for ensuring its financial 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.
2. 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.
3. The Council is required to review at least annually the effectiveness of its system of financial control. This is informed by the work of the internal auditor and Councillor with responsibility for finance, who have responsibility for the development and maintenance of the internal audit environment, and also any comments made by the external auditors in their annual report.

The Purpose of the System of Internal Control

1. The Council's system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure. It cannot provide an absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to policies, aims and objectives, to evaluate the likelihood of those risks being realised, and the impact should they be realised, and to manage them effectively and economically.
2. The system of internal control accords with the practices set out in the Governance and Accountability in Local Councils: A Practitioners' Guide (2011 edition).

The Internal Control Environment

1. The Council adopted Financial Regulations on the 15th March 2018, which set parameters for the Council's financial operations. The Council has appointed a Responsible Finance Officer who implements financial systems and controls.
2. The Council uses Money Manager to process transactions and Microsoft Excel to monitor performance against budget. HMRC Basic PAYE Tools (BPT-RTI) software is used to administer payroll services. Banking services are provided by Lloyds. An independent internal audit service is provided by Alison Marshal – Local Council Administration Services and Council's internal monitoring is undertaken by the Councillor responsible for finance.

3. Any issues raised by the Internal Auditor are reported in writing to the Council and agreed actions are monitored to ensure that they have been carried out and actioned within agreed timescales. Additionally, the Council seeks and receives appropriate property, legal, insurance, and health & safety advice as appropriate to manage risk.
4. The Council is responsible for:

- Establishing and monitoring the achievements of the authority's objectives
- The facilitation of policy and decision making
- Ensuring compliance with established policies, procedures, laws and regulations Identification and management of risk
- Ensuring that best value and value for money are achieved in all purchases
- Ensuring performance is regularly monitored against financial and operational budget
- Control and reports on the financial management of the Council

Review of Effectiveness

1. The Council through the Responsible Finance Officer has responsibility for conducting a review of the effectiveness of the system of internal control and the internal audit process.
2. The review of the effectiveness of the system of internal control is monitored by:
3. The Parish Clerk, who is the Council's Responsible Finance Officer and acts as the Council's legal advisor and administrator. The Clerk is responsible for administering the Council's finances, for advising on compliance with laws and regulations which the Council is subject to, and for managing risks. The Clerk also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.
4. The Council meets 10 times each year and monitors progress against objectives, financial systems and procedures, budgetary control, and carries out regular reviews of financial matters by receiving relevant reports from the Responsible Finance Officer (Parish Clerk).
5. The work of the Internal Auditor -the Internal Auditor, an independent person specialising in local council matters, reports to the Council on the adequacy of its records, procedures, systems, internal control and risk management.
6. The External Auditors, P K F Littlejohn, submits an Annual Report of Audit, which is presented to the Council unless an Exemption Certificate has been granted.

Any concerns about the effectiveness of the system of internal control are investigated and action taken as appropriate.

Signed .....E.E.WHITE..... Chair to Kingston Parish Council

Signed .....S. GREEN.. Clerk to Kingston Parish Council

Dated ....16/05/19.....