



**Parish Clerk;**

King George V Playing Fields Pavilion  
Front Street, Framwellgate Moor, Durham, DH1 5BL

**T: 07572 004256**

**E:framwellgatemoorparishcouncil@yahoo.co.uk**

**STATEMENT OF INTERNAL CONTROL / RISK MANAGEMENT  
FRAMWELLGATE MOOR PARISH COUNCIL  
STATEMENT OF INTERNAL CONTROL FOR THE YEAR ENDING  
31 MARCH 2020**

**SCOPE OF RESPONSIBILITY**

Framwellgate Moor Parish Council is a local authority funded largely 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. In discharging this overall responsibility, Framwellgate Moor Parish 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.

**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 system of internal control will be in place at the Council for the year ended 31 March 2020 and up to the date of approval of the annual accounts and accords with proper practice as set out in the Practitioners' Guide Governance and Accountability in Local Councils. It will be reviewed in March 2021.

**THE INTERNAL CONTROL ENVIRONMENT**

**The Council**

The Council reviews its obligations and objectives and approves a budget for the following year at its December or January meeting. The meeting of the Council in January 2020



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approved the level of precept for the following financial year. The Council has an appointed Financial Responsible Officer reporting monthly to the Meeting of the Council. The RFO/Clerk has delegated powers to incur expenditure on urgent health and safety matters up to £500 or £500 on other matters to be ratified at the next following Council meeting. All expenditure is to be approved by full Council. Any other expenditure to be approved as specified in the Financial Regulations approved in May each year. The Council carries out regular reviews of its internal controls, systems and procedures as follows:

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

The Clerk also has the role of Responsible Financial Officer to the Council and acts as the Council's advisor and administrator. The Clerk/Responsible Financial Officer is responsible for administering the Council's finances. The Clerk/RFO is responsible for advising on the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk/RFO also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

#### **Payments**

All expenditure must be authorised by the Council, or (as set out above) by the Clerk/RFO after consultation with the appropriate Chair. All items of expenditure must be recorded on an official List of Payments submitted monthly to the Council for approved payment, recording the Minute number. The list of payments is to be circulated to all Council Members three days prior to the monthly meeting (currently listed on the agenda). Two members of the Council must sign every cheque. The Clerk is also a signatory and prepares but does not sign cheques. The signatories check each cheque against the relevant invoice (which has already been checked by the Clerk/RFO), sign the invoice and initial the cheque counterfoil.

For transactions through Internet banking the Clerk/RFO has authority to make payments which must be authorised by one other Councillor who, by resolution of the Council, is a signatory on the Parish bank account.

#### **Controls**

All receipts and payments are reported to the Council via the Minutes. All payments received to be banked within 7 days of receipt.



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### **Asset Register**

The Clerk/RFO to update as and when necessary and to be approved annually.

### **Risk Assessments / Risk Management**

The Clerk/RFO will report on risk assessment to the Meeting as and when necessary. The Parish Council's insurance cover is periodically reviewed and following the extensive works of improvement carried out by the Council requires adjusting to an appropriate level from the current level with Fidelity Insurance of £150,000. The Clerk will seek quotes from suitable companies for consideration.

### **Internal Audit**

The Council has appointed an Independent internal auditor, Mr Gordon Fletcher, who will report to the Council on the adequacy of its records, procedures, systems, internal control and risk management.

### **External Audit**

The Council's External Auditors, Mazars, submit an Annual Governance and Accountability Returns (AGAR), which is presented to the Council.

### **REVIEW OF EFFECTIVENESS**

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control, which should include a review of the effectiveness of internal audit. The results of that review must be considered by the Council and the Council must also approve the Statement on Internal Control.

\_\_\_\_\_ (Chairman) \_\_\_\_\_ (Clerk and RFO)

Approved and adopted by Framwellgate Moor Parish Council 4 March 2020.  
To be reviewed March 2021