Billing Parish Council

Effectiveness of System of Internal Control & Internal Audit

SCOPE OF RESPONSIBILITY

Billing Parish Council is responsible for ensuring that its business is conducted in accordance with the law and proper standard. Furthermore, it must safeguard and properly account for public money, ensuring it is used economically, efficiently and effectively. To discharge these overall responsibilities, the Council is also tasked with ensuring there is a sound system of internal control. This system should facilitate the effective exercise of the Council's functions and include arrangements for the management of risk as well as arrangements for reviewing the effectiveness of internal audit.

PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is primarily designed to manage risk. Its objective is to reduce risk to a reasonable level, rather than eliminating all risk associated with failing to achieve policies, aims, and objectives. Consequently, the system can offer reasonable assurance of effectiveness, but not absolute certainty. This system relies on an ongoing process. This process involves identifying and prioritising risks that could prevent the Council from achieving its policies, aims, and objectives. It then requires evaluating the likelihood of these risks occurring and the potential impact they would have. Finally, the process includes managing these risks in a way that is efficient, effective, and economical.

THE INTERNAL CONTROL ENVIRONMENT	
THE COUNCIL	**STATUS**
The Council has appointed a chairperson who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful.	19/05/2025
The Council reviews its obligations and objectives and approves the budget and precept for the following year at either the December or January meeting following detailed recommendations from the Responsible Financial Officer / Clerk.	09/12/2024
The Council carries out regular reviews of its internal controls systems and procedures.	Quarterly
The Council regularly reviews actual versus budgeted expenditure and insurance details.	Monthly in Parish Council Meeting
Tenders are sought under the Finance Regulations rules to ensure that the Parish Council offers value for money.	Yes, when required
THE CLERK/RESPONSIBLE FINANCIAL OFFICER	
The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk is responsible for day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.	6th April 2021
The Clerk should hold or be working towards a CiLCA certificate.	Gained in May 2024
Year-end accounts will be prepared by the RFO for circulation to the Parish Council by the May meeting following the financial year-end on 31st March.	14/04/2026

PAYMENTS	
All bills for payment are presented to the Council for approval. Where cheques are still used then two authorised signatories must sign each cheque and cheque stub.	Yes
POLICIES	
The Parish Council has adopted all relevant policies including Standing Orders, Financial Regulations and a comprehensive governance risk assessment which are reviewed annually.	19/05/2025
INTERNAL AUDIT	
The Parish Council has adopted Terms of Reference for the Internal Audit which are reviewed every three years.	19/05/2025
The Internal Audit is timed to comply with the Annual Return timescales.	Yes
Full rights of access are given to the Internal Auditor regarding records and documentation.	Yes
The Internal Auditor makes an independent report to the Parish Council.	Yes
The report is reviewed by the Parish Council.	Yes
The Internal Auditor will follow up any actions required by review in subsequent audits.	Yes

Completed by: STEVE ROCKALL Date: 27/05/2026

Signed:

To be countersigned in Parish Council Meeting by chairperson

Name: Date:

Signed: