INTERNAL CONTROL SYSTEM

SCOPE OF RESPONSIBILITY

Great Coates Village 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 property accounted for, 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 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 CONTROLS

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk. It cannot provide an absolute assurance of effectiveness. The system of control is based on an on-going process to identify the risks to achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically.

THE INTERNAL CONTROL ENVIRONMENT

The Council: -

- Has appointed a Chairman who is responsible for the smooth running of meetings.
- Approves budgets for the following year at its December meeting.
- The December meeting of the Council approves the level of Precept for the following financial year.
- Meets once every month with additional meetings as required.
- Monitors every quarter the expenditure against budget with a forecast for the end of the year.
- Appoints and reviews the work of the Internal Auditor.
- Ensures that the Council holds relevant insurance cover.

The Clerk to the Council/Responsible Financial Officer (RFO): -

- The Clerk/ RFO is responsible for administrating the Council's finances.
- The Clerk is responsible for the day to day compliance with the law 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.
- Ensure that all VAT are identified and reclaimed every six months.

Adopted on 26th February 2026
Review Date: February 2027

Payments: -

- All payments are reported to the Council for approval before payment.
- Two members of the Council must authorise every cheque or electronic payment

Risk Assessments/ Risk Management: -

- The council carries out a risk assessment in respect of actions and regularly reviews its systems and controls.
- The Council has a risk assessment/management document which is reviewed annually in March every year.

Internal Audit:

The council has appointed an Independent Internal Auditor who reports to the Council on the adequacy of its:-

- Records
- Procedures
- Systems
- Internal controls
- Regulations
- Risk Management
- Reviews

The effectiveness of the internal audit is reviewed annually.

External Audit:

- The Council's External auditors submit an annual Certificate of Audit, which is reported by the Council.

Standing Orders:-

- The Council has adopted Model Standing Orders as recommended by NALC. These are reviewed annually in January every year and amended as required throughout the year to reflect any amendments to legislation.
- These are available on the Councils website.

Financial Regulations:-

- The Council has adopted the Model Financial regulations as recommended by NALC. These are reviewed annually in February every year and amended as required throughout the year to reflect any amendments to legislation.

REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of : -

- The Full Council
- The Personnel Committee
- The Great Coates in Bloom Committee
- The independent Internal Auditor who reviews the Council's system of internal control
- The Council's External Auditors who makes the final check using the Annual Return and issues an annual audit report.
- The number of significant issues that are raised during the year. Any concerns about the effectiveness of the system of internal control are investigated and action taken as appropriate.