

STATEMENT OF INTERNAL CONTROL

Approved at Full Council on Monday 6th March 2023

Reviewed at F&GP on 22nd January 2024

SCOPE OF RESPONSIBILITY

Dartmouth Town Council (DTC) 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, 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 includes arrangements for the management of risk.

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 DTC's policies, aims and objectives
- evaluate the likelihood of those risks being realised and the impact should they be realised
- manage them efficiently, effectively and economically.

The system of internal control has been in place for the year ended 31st March 2023 and up to the date of approval of the annual report and accounts and accords with proper practice as laid down by the Council's Financial Regulations.

THE COUNCIL'S INTERNAL CONTROLS

The Council

The Council has elected a Chairman who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful. The Council reviews its obligations and objectives and approves the budget and precept for the following financial year in January.

Full Council

The Full Council meets once a month and receives the minutes of all committees to be noted, on some occasions committee recommendations are brought to the Full Council for a decision. The Council Assets also monitors progress by receiving reports from the Clerk, Properties Manager and Head Gardener.

The Council has in place amongst others standing orders, financial regulations, risk management and a scheme of delegation & committee terms of reference to ensure the secure, effective, efficient use of Council resources. In emergency circumstances (such as a pandemic) and where Council is unable to function normally, the Council will agree delegation arrangements to enable the work of the Council to continue with probity in consultation with identified senior members as appropriate and supplemented by measures to provide transparency.

Clerk to the Council and Responsible Finance Officer

The Council has appointed a Clerk who is the Proper Officer to the Council, and who acts as the Council's advisor and administrator. The Clerk 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 also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

The Council have appointed a Responsible Finance Officer (RFO) (S151) who is responsible for administering the Council's finances. The Council uses a sector specific computerised accounting package that records all of the accounting transactions and is used to register commitments alongside income and expenditure. This package provides financial information and the basis for budgetary control.

Payments and Income

A system of financial control cannot be expected to completely eliminate the possibility of inaccuracy or fraud. To minimise this risk the Council has the following procedures as set out in the Council Financial Regulations.

<https://www.dartmouthtowncouncil.gov.uk/policies-procedures/>

The RFO is responsible for:

- submitting a quarterly financial report to Full Council. A detailed list of all payments shall be disclosed within at which payment was authorised and signed by two Councillors who are bank signatories.
- ensuring that monthly bank reconciliations and original bank statements are done and signed off by RFO, the Clerk & two Councillors who are bank signatories
- ensure that entries on a day to day basis record all money received and expended
- record the Council's assets on a register

Risk Management/Risk Assessment

DTC adopted a risk management strategy and has been compiling risk assessments for relevant risks and activities.

Contracts

Procedures as to contracts are laid down in the Council's Standing Orders and Financial Regulations.

Internal Audit

The Council has appointed IAC Audit and Consultancy Ltd as its independent internal auditor and all issues raised are reported in writing to Full Council and all consequential actions implemented to ensure financial probity.

External Audit

The Council's appointed external auditors are PKF Littlejohn LLP, who on completion of the audit submit an annual Certificate of Audit which is reported to Full Council and published to the Council's website with the annual return & accounting statement (AGAR)