BATTISFORD PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2027

1. SCOPE OF RESPONSIBILITY

Battisford Parish 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 properly accounted for, and used economically, efficiently and effectively.

The council is 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.

2. 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 on-going 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.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council:
The council reviews its obligations and objectives and approves budgets for the following year at its January meeting. The January meeting of the council approves the level of precept for the following financial year.

A Councillor is appointed to have responsibility for bank reconciliation checks.

The full council meets 10 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the parish clerk.

The council carries out regular reviews of its internal controls, systems and procedures. See attached Report.

Clerk to the Council/Responsible Finance Officer:
The Council has appointed a Clerk who serves as both advisor and administrator. The Clerk also acts as the Responsible Financial Officer and is responsible for managing the Council's finances. The Clerk advises the Council on day-to-day compliance with relevant laws and regulations, oversees risk management, and supports the Council in ensuring that its procedures, control systems, and policies are properly followed.

Payments:
All payments are reported to the Council for approval. Payments made by cheque or online banking are carried out in accordance with the Council's Financial Regulations. All authorised

signatories are members of the Council; no officer of the Council is permitted to sign cheques or authorise payments.

Where delegated authority is used under Section 101(1)(a) of the Local Government Act 1972 and in line with the Council's Financial Regulations a report detailing those payments will be presented at the next full Council meeting.

Income:
All income is received and banked in the council's name in a timely manner and reported to the council.

Risk Assessments/Risk Management:
The council reviews its risk assessment annually in September and regularly reviews its systems and controls.

Internal Audit:
The council appoints an independent and competent internal auditor and approves the internal auditor's letter of engagement. The internal auditor reports to the council on a annual basis on the adequacy of it's:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management

External Audit:
The council's external auditors submit an annual audit certificate, which is then presented to the Council. This process does not apply to smaller authorities that have declared themselves exempt.

4. REVIEW OF EFFECTIVENESS

The council must carry out a yearly review to check how well its internal controls are working. This should include a look at how effective the internal audit is. The results must be shared with the Council, and the Council should approve the Statement of Internal Control.

Agreed at the meeting Agreed at the meeting

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Chair RFO/Clerk

Approved and adopted by Battisford Parish Council

Meeting date: October 26 and subject to an annual review.

BATTISFORD PARISH COUNCIL

INTERNAL CONTROL REPORT

The Accounts & Audit (England) Regulations 2015 aims to strengthen governance and accountability through requirements related to internal control and internal audit.

Whilst the Parish Council has reviewed the effectiveness of the internal audit (independence, competence, proportionate and scope), it has a requirement levied on it to ensure that its financial management is adequate and effective and that it has a sound system of internal control: -

'The regulations require active participation by members in providing positive assurance to the electors of their stewardship of public money. The framework of accountability is risk-based i.e. level of control and management must be appropriate to the risk involved. The Council must determine the most appropriate method of internal control care should be taken to ensure that internal control tests are proportionate and relevant and that they are neither seen as, nor intended as, undue interference in the RFO's day to day management of financial affairs.'

As part of its internal control procedures, the Parish Council has appointed a Councillor who is not an authorised signatory to carry out a review of the internal control system. This review should be done at least once a year or more often, depending on the size of the council using the following checks. A written report of any findings must be submitted to the Council and formally recorded in the minutes.

CONTROL TEST	TEST DONE	COMMENTS check documents and initial
Adoption of Financial Regulations and Standing Orders Ensuring Financial Regulations and Standing Orders are reviewed and kept up to date whenever changes are made to the model documents		
Adoption of Codes of Conduct for Members		
Declaration of Acceptance of Office		
Procedures in place to record and monitor Members' Interests and, where applicable, Gifts and Hospitality		
Council has reviewed the internal audit report and, where applicable, the external audit report, and has addressed any recommendations, comments, or required actions		

Annual review of council policies and, where applicable, the terms of reference for committees, sub-committees, and working groups		
Annual review of contracts, as applicable		
Regular reporting on performance of Contractors (crucial for maintaining accountability, ensuring contract compliance, mitigating risks, and optimising performance)		
Annual review of risk and the adequacy of Insurance cover		
Annual review of all risk assessments, including financial risks		
Regular review of financial records and proper procedures for approving expenditure		
Regular bank reconciliation, independently reviewed		
Payments supported by invoices, authorised and minuted		
Cemetery income is declared at meetings and displayed in accounts		
Recording in the minutes or appendices the exact powers under which expenditure is approved and ensuring S137 payments are listed separately		
Regular inspection of income records to ensure income is correctly received, recorded and banked.		
Regular checks to ensure the precept and, where applicable, CIL is recorded in the cashbook matches the District Council's notification		
Regular financial reporting to the Parish Council, including Receipts & Payments (or		

Income & Expenditure) and updates on reserves		
Regular budget monitoring statements presented to the Parish Council		
VAT correctly accounted for: VAT payments identified, recorded and reclaimed in the cashbook and minuted		
Maintaining an up-to-date Asset Register		
Regular maintenance arrangement for physical assets (play areas, street furniture etc)		
Staffing and Employment compliance: review of the following: • Contracts of employment for staff • Annual performance appraisal • Updating records to record changes in relevant legislation • PAYE/NIC properly operated by the Council as an employer • Pension Regulator re-declaration to be completed every three years		
Compliance with Local Transparency Code in line with your council's turnover: • Annual turnover not exceeding £25,000 • Annual Turnover between £25,000 and £200,000 • Annual Turnover over £200,000 (NALC advises that all Councils adhere to the Smaller Authorities Transparency Code as a minimum)		
Compliance with the DCLG 2014 Guide on Open & Accountable Local Government, Part 4: Ensuring officer decisions are properly documented and made transparent		
Verifying that the Council is compliant with the General Data Protection Regulation (GDPR) requirements and the following are in place: • Registered with the ICO • Audit / Impact Assessment		

• Privacy Notices • Procedures for dealing with Subject Access Requests • Procedure for dealing with Data breaches • Data Retention & Disposal Policies		
Minutes are properly numbered and paginated, with a master copy securely filed		
The Council's website complies with WCAG 2.2 AA accessibility standards		
Email management: The council has a generic email account hosted on an authority owned domain		
IT policy adopted		

Date of review of system of Internal Controls

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Review of system of Internal Controls carried out by:

Name ……

Signature……

Report submitted to Council (date)

……...

(minute reference)

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Next review of system of Internal Controls due

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Additional comments by reviewer