

## CLAYDON AND WHITTON PARISH COUNCIL

### STATEMENT OF INTERNAL CONTROL

#### 1. SCOPE OF RESPONSIBILITY

Claydon and Whitton 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.

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.

#### 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 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 financial year ending **31<sup>st</sup> March** and up to the date of approval of the annual report and accounts and accords with proper practice.

#### 3. THE INTERNAL CONTROL ENVIRONMENT

**The Council:** The Council has appointed a Chair 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 budgets for the following year at or before its December meeting. The December meeting of the Council approves the level of precept for the following financial year.

The Council monitors progress against objectives, financial systems and procedures, budgetary control and carries out regular reviews of financial matters.

The full Council meets 11 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Clerk and RFO to the Council.

The Council carries out annual reviews of its internal controls, systems, and procedures.

**Clerk to the Council/Responsible Financial Officer:** The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. There is a separate Responsible Financial Officer who is responsible for administering the Council's finances. The Clerk is responsible for the 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.

**Payments:** All payments are reported to the Council for approval. Two Members of the Council must authorise every online payment and if payment by cheque, they are to initial the counterfoil.

The list detailing payments for approval, together with the original invoices, is presented at the same time as this signing/approving exercise.

**Bank statements and bank reconciliations:** At each full parish council meeting each month the RFO has the bank statements available for review together with a monthly bank reconciliation sheet.

**Risk Assessments/Risk Management:** The Council carries out regular risk assessments in respect of actions and regularly reviews its systems and controls.

**Internal Audit:** The Council has appointed SALC as the Independent Auditor, to carry out Annual internal audits. Who will check and report to the Council on the adequacy of its:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management
- Reviews - the effectiveness of the Internal Audit is to be reviewed annually.

**External Audit:** The Council's external auditors, PK LittleJohn will submit an annual Certificate of Audit, which is presented to the Council and publicised.

#### 4. 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 Clerk** to the Council/Responsible Financial Officer, who has responsibility for the development and maintenance of the internal control environment and managing risks.
- The Independent **Internal Auditor**, who reviews the Council's system of internal control.
- **PK LittleJohn, the Council's external auditors**, who make the final check using the Annual Governance and Accountability Return (AGAR), a form completed and signed by the Responsible Financial Officer, the Chair of the Council, and the Internal Auditor. They issue an annual Audit Certificate.
- The number of any significant issues that are raised during the year.

The Council strives for the continuous improvement of the system it has adopted for internal control and will address any minor issues and weaknesses raised and reported during the review process.

This statement was considered and adopted at the Parish Council meeting held on 3<sup>rd</sup> February 2025

*Signed on original*

*Signed on original*

\_\_\_\_\_  
(Signature of the Chair of the Council)


\_\_\_\_\_  
(Signature of the Clerk to the Council/  
Responsible Financial Officer)

Date:

Date:

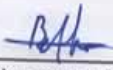
This statement was considered and adopted at the Parish Council meeting held on 3<sup>rd</sup> February 2025

Signed on original

  
(Signature of the Chair of the Council)

Date: 03.02.25

Signed on original

  
(Signature of the Clerk to the Council/  
Responsible Financial Officer)

Date: 03.02.25