

# **WALDRINGFIELD PARISH COUNCIL**

## **INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31<sup>ST</sup> MARCH 2025**

### **1. SCOPE OF RESPONSIBILITY**

Waldringfield 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 November, December or January meeting. The November/December/January meeting of the council approves the level of precept for the following financial year.

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 Parish Clerk/Responsible Financial Officer.

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 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 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.

#### **Payments:**

All payments are reported to the council for approval. Two members of the council must approve every order for payment. The signatories should consider each payment against the relevant invoice. Minutes will detail the names of councillors to approve the monthly online BACS payments to be made. All authorised signatories and online banking signatories are members of the Council. Where delegation permits, as per s.101(1)(a) of the Local Government Act of 1972 and the Council's Financial Regulations, a report will be provided to the next full Council.

#### **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 February/March, and regularly reviews its systems and controls.

**Internal Audit:**

The council appoints an independent and competent internal auditor who reports to the council on an annual basis on the adequacy of its:

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

**External Audit:**

When required, the council's external auditors submit an annual certificate of audit which is presented to the Council.

**4. REVIEW OF EFFECTIVENESS**

The council has responsibility for conducting an annual review of the effectiveness of the system of internal control, which should include a review of the effectiveness of internal audit. The results of that review must be considered by the Council, which should also approve the Statement of Internal Control.

*Original signed by:*

\_\_\_\_\_  
Chairman

*Original signed by:*

\_\_\_\_\_  
RFO/Clerk

Approved and adopted by Waldringfield Parish Council

Meeting date: 11 March 2025

# WALDRINGFIELD PARISH COUNCIL

## REVIEW OF INTERNAL FINANCIAL CONTROLS AND OF THE ANNUAL INTERNAL AUDIT (February 2025)

The Accounts & Audit (England) Regulations 2015 aims to strengthen the governance and accountability of local councils through requirements related to internal control and internal audit. To meet these requirements, Waldringfield Parish Council has reviewed the effectiveness of the internal audit (its independence, competence, proportion and scope) and has also examined the adequacy and effectiveness of the Council's financial management and its system of internal control.

Cllrs Elliot and Gold met with the Clerk on 04 February 2025 to undertake a review of financial systems. Councillors used the following test list (as recommended by the Suffolk Association of Local Councils), to assure themselves that procedures have been followed. The Internal Auditor's report for the financial year 2023-24 was considered at the WPC meeting on 14<sup>th</sup> May 2024.

Control Test	Tested	Comments
Ensuring an up-to-date Register of Assets	YES	Cllrs reviewed the register. Noted the new battery purchase would be additional to the one contained in the SID line item – Clerk to deduct value of a battery.
Regular maintenance arrangement for physical assets	YES	Monthly inspections of playground reviewed – List of inspection reports in electronic file folder reviewed. Cllrs view the report monthly. This year due to responsibility changes, some gaps identified – but not more than only one month. Assets not on the playing field were provided in list format. <b><i>Noted responsible Councillor needed for other assets.</i></b>
Annual review of risk and the adequacy of Insurance cover	YES	Annual Risk Assessment and Management Review undertaken annually. Noted this was approved March meeting 2024 (minute ref 2069 13.b). Insurance statement of fact and the summary of cover reviewed. Noted renewal approved Oct 24 meeting (minute ref 2108 11.c). Cllrs satisfied level of cover is adequate. Noted renewal for 2025 is returning to market.
Annual review of financial risk	YES	Undertaken as part of budgeting process which now include cash flow statements and level of reserves. Cllrs reviewed supporting docs July 2024 to confirm adequate monthly financial reporting and the Internal Controls statement YE2024. Cllrs satisfied mitigation of risks (all) satisfactory.
Awareness of Standing Orders And Financial regulations	YES	Cllrs confirmed they were aware of the Orders and their purpose.
Adoption of Financial regulations & Standing Orders	YES	Minutes of 14 May 2024 reviewed and confirmed adoption of both Orders at Annual Parish Council Meeting – (minute ref 2074 – 10).
Regular reporting on performance by contractors	YES	Performed on an as-required basis eg. Grass cutting fields is reviewed monthly. Cllrs reviewed emails from Clerk providing instructions following a meeting where instruction agreed. Invoice 2505 issued 10/12/24 approved at Council 25.01.25
Annual review of contracts (where appropriate)	NO	Not applicable
Regular bank reconciliation, independently reviewed	YES	Monthly at the Parish Council meeting, signed by inspecting Cllr. Cllrs reviewed reconciliation of October 24 verifying review.
Regular scrutiny of financial	YES	Monthly at the Parish Council meeting expenditure documentation reviewed and authorisation minuted. BACS

records and proper arrangements for the approval of expenditure		payments approved by two councillors using online banking (names minuted). Cllrs reviewed documents for May 24 – noted approvals in minutes (minute ref 2068 12.d.)
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	<b>YES</b>	This is done for all non-routine items. None to review.
Payments supported by invoices, authorised and minuted	<b>YES</b>	Monthly at the Parish Council meeting a Cllr reviews in the meeting. Cllrs inspected payments list, invoices and minutes for Aug 24 with Sep 24 bank reconciliation (tracing one payment through to the bank statement) to verify process. Noted one invoice was missing in bundle – was located electronically, recorded and paid correctly. Clerk to locate the invoice (#32).
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	<b>YES</b>	Monthly at the Parish Council meeting. Cllrs inspected September 24 receipts and confirmed were in the corresponding bank statement. Noted minutes do not always reflect “receipts” being approved. Clerk to change the language of the entry when there are receipts.
Scrutiny to ensure precept recorded in the cashbook agrees to ESC notification	<b>YES</b>	At the Parish Council meeting following receipt. Cllrs inspected a) The Precept request for 2024-25 and verified payments received April 2024 and September 2024 equalled Precept request. Also verified 2025-26 Precept request – confirming it was sent and value equalled the approved budget (minute ref 2052 7.b.)
Contracts of employment for staff <ul style="list-style-type: none"> <li>Contract annually reviewed</li> <li>Updating records to record changes in relevant legislation</li> <li>PAYE/NIC properly operated by the Council as an employer</li> </ul>	<b>YES</b>	The Clerk is the only employee. Cllrs reviewed the employment file and verified an employment contract, probationary review letter and most recent appraisal. Also reviewed payslips (and confirmed calculations made through HMRC software) and evidence of submissions to HMRC for October 2024.
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	<b>YES</b>	VAT is identified on all payments when incurred. Cllr reviewed the interim claim of Sep 2024/confirmed payment on receipts list. Cllrs verified VAT is being recorded on all receipts where VAT is paid (payments pack for 11 Oct 2024 to confirm recording of VAT)
Regular financial reporting to Parish Council	<b>YES</b>	Monthly in supporting documents. Cllrs reviewed supporting documents in I and H above that confirm there is regular (monthly) financial reporting including a cash flow statement.
Regular budget monitoring statements as reported to Parish Council	<b>YES</b>	Monthly at the Parish Council meeting. Cllrs reviewed supporting documents June 2024 and confirmed that the council is receiving adequate and regular financial reporting as was approve in council (minute ref 2083 14.b.)
Compliance with 2014 Regulations: Officer Decision Reports	<b>NO</b>	None received – Not applicable
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £100	<b>YES</b>	All items of expenditure are detailed monthly in the supporting documents, which will include any expenditure over £100. Cllrs reviewed 2023-24 list of items over £100 and confirmed posted to website.
Minutes properly numbered and paginated with a master copy kept in for safekeeping	<b>YES</b>	Physical copy kept in binder. Electronic copy kept on Clerk’s computer and backed up to cloud server. Published on website. Cllrs reviewed May 2024 and June 2024 – checking pagination, signatures and numbering on minutes. Noted May ends 2078/June begins 2079.
Procedures in place for recording and	<b>YES</b>	Covered by members declarations to ESC. Cllrs reminded Annually to update their registers of interest.

monitoring Members' Interests and Gifts of Hospitality		
Verifying that the Council is compliant with the General Data Protection Regulations. The following are in place: 1. Audit / Impact Assessment 2. Privacy Notices 3. Procedures for dealing with Subject Access Requests 4. Procedure for dealing with Data breaches 5. Data Retention & Disposal Policies	<b>YES</b>	Data Protection and Information Management Policy (including Data Privacy Notice) was adopted Nov 2023 by the WPC. Cllrs reviewed the policy to ensure they met the test objectives. Objectives were noted as present in these policies.  Noted were pages 4-5, 8, and 14-15 of the Data Protection and Information Management Policy as addressing these requirements. Noted absent was an FOI procedure or data breaches reporting procedure. Clerk to refine documents from ICO guidance.
Adoption of Codes of Conduct for Members	<b>YES</b>	CoC adopted 14 May 2024 (minute reference 2074 10). Declarations of Acceptance of Office bind Cllrs to policy. Cllrs reviewed retention of DoAO – reviewed below
Declaration of Acceptance of Office	<b>YES</b>	Following an election/Co-option – Cllrs confirmed these are Present as required and retained. Noted elected Cllrs 16.05.23 and coopted Cllr 10.09.242

Date of review of System of Internal Controls: **04 February 2025**

Review of system Internal Controls carried out by:

Name **Cllr Serena Gold**

Signature.(original signed by)

Name **Cllr Janet Elliot**

Signature original signed by)

Report submitted to Council

11 March 2025

(Minute reference) 2143 11(e).

Next review of system of Internal Controls due: March 2026