

WALDRINGFIELD PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31ST MARCH 2024

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.

Chairman

RFO/Clerk

Approved and adopted by Waldringfield Parish Council

Meeting date: 12 March 2024

WALDRINGFIELD PARISH COUNCIL

REVIEW OF INTERNAL FINANCIAL CONTROLS AND OF THE ANNUAL INTERNAL AUDIT (February 2024)

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 Forsdike met with the Clerk on 27 February 2024 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 2022-23 was considered at the WPC meeting on 16th May 2023 .

Control Test	Tested	Comments
Ensuring an up-to-date Register of Assets	YES	Now forms part of budget – Asset register reviewed as part of this review – printout from Scribe. Cllrs reviewed and agreed accuracy.
Regular maintenance arrangement for physical assets	YES	Monthly inspections of playground reviewed – List of inspection reports in electronic file folder reviewed. Cllrs attend regular meetings and are aware they are done monthly. Assets not on the playing field were provided in list format. Cllrs recommend to Council to appoint a member to assess these quarterly. ACTION – Clerk/Council
Annual review of risk and the adequacy of Insurance cover	YES	Annual Risk Assessment and Management Review undertaken annually. Cllrs reviewed Minutes of Oct 23 meeting alongside 2022 renewal report from Clerk, Insurance statement of fact (02/12/23) and the summary of cover. Cllrs satisfied level of cover is adequate.
Annual review of financial risk	YES	Undertaken as part of budgeting process which now include cash flow statements and level of reserves. Cllrs reviewed minutes of 14 November and 12 September 23 to confirm adequate financial reporting and the Internal Controls statement YE2023
Awareness of Standing Orders And Financial regulations	YES	Cllrs confirmed they were aware of the Orders and their purpose.
Adoption of Financial & Standing Orders	YES	Minutes of 16 May 2023 reviewed and confirmed adoption of both Orders at Annual Parish Council Meeting
Regular reporting on performance by contractors	YES	Performed on an as-required basis eg. Grass cutting is reviewed monthly. Cllrs reviewed emails from Cllr Gold who provides feedback on the Footpath cutting.
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 September and January. Noted January not signed (though minutes reflect the review was undertaken. Action – Clerk – to verify signatures before departing meeting in which signed.
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	YES	Monthly at the Parish Council meeting expenditure documentation reviewed and authorisation minuted. BACS payments approved by two councillors using online banking (names minuted). Cllrs checked voucher 12 and voucher 59 – cross checking payments in bank statements.
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	YES	This is done for all non-routine items. None to review.

Payments supported by invoices, authorised and minuted	YES	Monthly at the Parish Council meeting a Cllr reviews in the meeting. Cllrs inspected payments list, invoices and minutes for May 2023 (tracing one payment through to the bank statement) to verify process.
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	YES	Monthly at the Parish Council meeting. Cllrs inspected October and December 2023 receipts and confirmed were in the corresponding bank statement.
Scrutiny to ensure precept recorded in the cashbook agrees to ESC notification	YES	At the Parish Council meeting following receipt. Cllrs inspected The Precept request for 2023-24 and verified payments received April and September 2023 equalled Precept request.
Contracts of employment for staff Contract annually reviewed Updating records to record changes in relevant legislation PAYE/NIC properly operated by the Council as an employer	YES	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 August and October 2023.
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	YES	VAT is identified on all payments when incurred. Cllr Kay reviewed the interim claim in December. Cllrs verified VAT is being recorded on all receipts where VAT is paid (payments pack for April and June 23); reviewed Apr-June submission and verified received by HMRC and correct receipt noted.
Regular financial reporting to Parish Council	YES	Monthly in supporting documents. Cllrs reviewed supporting documents for August and November 2023 – verified regular financial reporting including a cash flow statement.
Regular budget monitoring statements as reported to Parish Council	YES	Monthly at the Parish Council meeting. Cllrs reviewed supporting documents for August and November 2023 and confirmed Cost Centre to Budget report included.
Compliance with 2014 Regulations: Officer Decision Reports	NO	None received - Not applicable
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £100	YES	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. Verified in minutes of May and July 2023 that expenditure >£100 were included.
Minutes properly numbered and paginated with a master copy kept in for safekeeping	YES	Physical copy kept in binder. Electronic copy kept on Clerk's computer and backed up to cloud server. Published on website. Cllrs reviewed November and December 2023 and January 2024 - checking pagination, signatures and numbering on minutes.
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	YES	Covered by members declarations to ESC. Cllrs reminded Annually update their registers of interest.
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	YES	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
Adoption of Codes of Conduct for Members	YES	CoC adopted 16 May 2023 (minutes and policy reviewed by Cllrs – noted minutes reference 2005). Declarations of Acceptance Office bind Cllrs to policy. Cllrs reviewed retention of DoAO.
Declaration of Acceptance of Office	YES	Following an election/Co-option – Cllrs confirmed these are Present as required and retained.

Date of review of System of Internal Controls: **27 February 2024**

Review of system Internal Controls carried out by:

Name **Cllr Robert Forsdike** Signature.....

Name **Cllr Janet Elliot** Signature.....

Report submitted to Council 12 March 2024
(Minute reference).....

Next review of system of Internal Controls due: March 2025