

CONEY WESTON PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2024

1. SCOPE OF RESPONSIBILITY

Coney Weston 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 each year. The January meeting of the Council approves the level of precept for the following financial year.

The full council meets 6 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Clerk/RFO.

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 online payment via online banking. The signatories should consider each payment against the relevant invoice, print and sign the payment transaction details sheet via online banking. All authorised 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.

The Clerk has delegated powers to approve expenditure up to a limit as detailed in Financial Regulations (August 2023) section 4.5. Payment of said expenditure is regulated by the aforementioned process.

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 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 it’s:

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

External Audit:

The Council’s does not need to have an external audit unless it decides to. As it is under £25,000 it can exempt itself under the Annual Governance and Accountability Return.

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 Coney Weston Parish Council

Meeting date: 9th May 2024

CONEY WESTON 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 financial internal control, the Parish Council reviews and approves monthly actuals and predicted annual expenditure against budget at their bi-monthly meetings and minuted accordingly.

CONTROL TEST	TEST DONE	COMMENTS – check documents and initial
	Yes or No	
Ensuring an up to date Register of Assets	YES	Updated and approved at Annual Meeting of the Council dated 9 th May 2024.
Regular maintenance arrangement for physical assets	YES	Physically checked during the month of April 2024. Noticeboards expected to be replaced April/May 2024.
Annual review of risk and the adequacy of Insurance cover	YES	Insurers reviewed in September 2023 – current providers (Zurich) maintained for 2023-24 and approved by Parish Council.
Annual review of financial risk	YES	Review at financial year end (April 2024) by Chair and Vice Chair.
Awareness of Standing Orders and Financial regulations	YES	Published on Parish Council website.
Adoption of Financial and Standing Orders	YES	Financial Regulations August 2023, Standing Orders March 2021 – updated.
Annual review of contracts (where appropriate)	N/A	
Regular bank reconciliation, independently reviewed	YES	Reviewed before and at each PC meeting every other month and annually by the Internal Auditor.
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	YES	Any and all expenditure is approved at PC meetings every other month

CWPC Internal Controls Statement, March 2024

Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	YES	Relevant appendices examined and found to be correct (Cashbook (1) 2023-24)
Payments supported by invoices, authorised and minuted	YES	Dip sample of soft copies checked and found to be correct.
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	YES	As per bank reconciliation against bank statement at PC meetings every other month – dip sample carried out April 2024.
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	YES	Checked and verified that BACS receipt in bank statement tallies with cashbook entry
Contracts of employment for staff		1 employee – contract issued November 2020 – contract under review at 9 th May 2024 meeting.
Contract annually reviewed		
Updating records to record changes in relevant legislation	YES	No new legislation advised by SALC.
PAYE/NIC properly operated by the Council as an employer	YES	Confirmed as being properly operated every other month as per SALC payroll services
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	YES	VAT claimed for 2019/20, 20/21, 2022/23 – cashbook entry verified.
Regular financial reporting to Parish Council	YES	Every 2 months at PC meetings
Regular budget monitoring statements as reported to Parish Council	YES	Checked at PC meetings every 2 months – bank statements reconcile with cashbook
Compliance with DCLG Guide <i>Open & Accountable Local Government</i> 2014, Part 4: Officer Decision Reports	YES	Notice of PC meetings posted to website and village noticeboards 3 days prior to date of meeting. Decisions recorded in minutes which are posted to noticeboards and website within 1 month after date of meeting.
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £100	YES	Compliance checked. Expenditure over £100 detailed for 2023/24 year detailed with supporting documentation – available on website.
Verifying that the Council is compliant with the General Data Protection Regulation requirements		
Are the following in place: <ul style="list-style-type: none"> • Audit / Impact Assessment Y • Privacy Notices Y • Data Retention & Disposal Policies Y 	YES	All GDPR policies adopted and are currently under review. Regular reviews are carried out on 2 selected policies every other month.
Minutes properly numbered and paginated with a master copy kept in for safe-	YES	Compliance checked and verified

keeping		
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	YES	Included in CWPC Local Code of Conduct which was reviewed and approved at PC meeting January 2022 – still relevant
Adoption of Codes of Conduct for Members	YES	See above
Declaration of Acceptance of Office	YES	All on hard copy file

Date of review of system of Internal Controls – 9th May 2024

Review of system of Internal Controls carried out by:

Name.....Signature.....

Report submitted to Council (date 9th May 2023)

(minute reference)

Next review of system of Internal Controls due – **April 2025**