

PALGRAVE PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2025

1. SCOPE OF RESPONSIBILITY

Palgrave 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 December or January meeting. The January meeting of the council approves the level of precept for the following financial year.

A Councillor is appointed at each meeting on a rotation basis to have responsibility for bank reconciliation checks.

The full council meets monthly (except August), each year and regularly monitors progress against the budget at meetings by receiving relevant reports from the parish clerk.

The council carries out an annual review of its internal controls, systems and procedures. See attached table.

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 sign every cheque or monthly schedule of payments. The signatories should consider each payment against the relevant invoice, sign the invoice and initial the cheque counterfoil. All authorised cheque signatories or internet banking users 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 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:

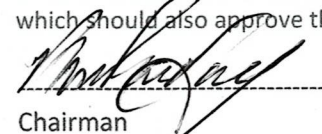
• Records	• Procedures	• Systems
• Internal control	• Regulations	• Risk management

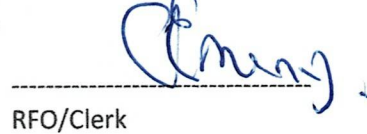
External Audit:

The council's 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

PALGRAVE PARISH COUNCIL

INTERNAL CONTROL REPORT 2024 -2025

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, the Parish Council has appointed a Councillor to conduct a review of the system of internal control via the following tests on a biannual basis with a written report of any findings to be submitted to the Council and minuted as received.

CONTROL TEST	TEST DONE Y/N	COMMENTS – check documents & initial
Ensuring an up-to-date Register of Assets	Y	Reviewed bi-annually with final update Mar 2025 for year ending 31.3.2025 CP -10/4/2025
Regular maintenance arrangement for physical assets	Y	Inspected annually CP - 10/4/2025
Annual review of risk and the adequacy of Insurance cover	Y	Asset insured as per Asset Schedule which is reviewed annually CP-10/4/2025
Annual review of financial risk	Y	Reviewed annually & Signed by Chair CP-10/4/2025
Awareness of Standing Orders and Financial regulations	Y	Reviewed annually and updated before 31st March CP- 10/4/2025
Adoption of Financial and Standing Orders	Y	Reviewed and approved annually in March each year before year end CP - 10/4/2025
Regular reporting on performance by contractors	Y	Clerk reports regularly in meetings CP - 10/4/2025
Annual review of contracts (if appropriate)	Y	(Excite 3 year contract) Three year contract agreed and reviewed - CP - 10/4/2025
Regular bank reconciliation, independently reviewed	Y	Checked by a different set of councillors each month - not by account approvers - CP - 10/4/2025
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Y	All approved at Monthly PC Meeting and minuted Signed and approved - CP - 10/4/2025
Recording in the accounts the minutes the precise powers under which expenditure is being approved	Y	Recorded monthly in the a/c spreadsheet - managed by clerk CP - 10/4/2025
Payments supported by invoices, authorised and minuted	Y	Recorded in the minutes each month - CP - 10/4/2025
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Y	Checked monthly against the bank statement -CP - 10/4/2025
Scrutiny to ensure precept recorded in the cashbook agrees to BMSDC notification	Y	Checked against the bank statement CP - 10/4/2025

Contracts of employment in place for staff Contract annually reviewed Records updated to reflect relevant legislation PAYE/NIC properly operated by the Council as an employer	Y	Reviewed at Personnel meeting - clerk uses HMRC Basic PAYE tool program CP - 10/4/2025
VAT payments identified, recorded and reclaimed in the accounts	Y	Reclaimed at least annually or more often depending on circumstances - CP - 10/4/2025
Regular financial reporting to Parish Council	Y	Accounts spreadsheet sent to all monthly via file share CP - 10/4/2025
Regular budget monitoring statements as reported to Parish Council	Y	Actual v Budget -included in the monthly accounts sent to all councillors - via file share - CP - 10/4/2025
Compliance with DCLG Guide <i>Open & Accountable Local Government</i> 2014, Part 4: Officer Decision Reports	Y	Yes in compliance CP - 10/4/2025
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	Y	All items of expenditure are listed in the monthly minutes CP - 10/4/2025
Compliance with Data Protection Legislation – Council registered as a Data Controller	Y	Paid annually by the DD and renewed (£35 annually) CP - 10/4/2025
Compliance with General Data Protection Regulations: <ul style="list-style-type: none"> Privacy Notices Procedures for dealing with Subject Access Requests Procedure for dealing with Data breaches Data Retention & Disposal Policies 	Y	UK GDPR used Regularly reviewed.CP - 10/4/2025
Minutes properly numbered and paginated with a master copy kept for safekeeping	Y	Yes physical copies available. Shared with the wider community CP - 10/4/2025
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Y	No comment as nothing received to report on CP - 10/4/2025
Adoption of Codes of Conduct for Members	Y	Code of conduct minuted each meeting CP - 10/4/2025
Declaration of Acceptance of Office	Y	Records kept by Clerk - CP - 10/4/2025

Date of review of system of Internal Controls: 10/4/2025

Review of system of Internal Controls carried out by:

Name: Cathal Prendergast Signature.....CP.....

Report submitted to Council (minute reference) 04.10.09 of 10/4/2025

Next review of system of Internal Controls due September 2025

Additional comments by reviewer: None