# Horringer Parish Council

Parish Administrator: Nicola Calder

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**HORRINGER PARISH COUNCIL**

**INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2025**

## 1. SCOPE OF RESPONSIBILITY

Horringer-cum-Ickworth 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 meeting. The January meeting of the council approves the level of precept for the following financial year.

A Councillor is appointed to have responsibility for bank reconciliation checks – Chairman

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 administrator.

The council carries out regular reviews of its internal controls, systems and procedures. See attached Report.

**Parish Administrator/Responsible Finance Officer:**

The Council has appointed a Parish Administrator (PA) who acts as the Council's advisor and administrator. The PA is the Council's Responsible Financial Officer and is responsible for administering the Council's

finances. The PA 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 PA 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 order for payment. The signatories should consider each payment against the relevant invoice, sign the invoice and initial the cheque counterfoil if appropriate. All authorised cheque 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.

Internet banking payments are raised by the PA and authorised by two councillors (invoices are provided for reference). Payments are listed and presented to all councillors before the next full council meeting

**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 November, 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

**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 C Kyle RFO/Clerk N Calder

Approved and adopted by Horringer cum Ickworth Parish Council

Meeting date: 20.05.24

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

| CONTROL TEST | TEST DONE | COMMENTS – check documents and initial |
|---|---|---|
| | Yes or No | |
| Ensuring an up to date Register of Assets | Yes | Reviewed and signed annually |
| Regular maintenance arrangement for physical assets | Yes | Risk assessments carried out annually |
| Annual review of risk and the adequacy of Insurance cover | Yes | Reviewed and minuted annually |
| Annual review of financial risk | Yes | Reviewed and minuted annually |
| Awareness of Standing Orders and Financial regulations | Yes | Reviewed and minuted annually |
| Adoption of Financial and Standing Orders | Yes | Reviewed and minuted annually |
| | | |
| Regular reporting on performance by contractors | Yes | Visually – grass and ground maintenance |
| Annual review of contracts (where appropriate) | N/A | |
| | | |

| | | |
|---|---|---|
| Regular bank reconciliation, independently reviewed | Yes | Appointed internal control officer – statements are signed |
| Regular scrutiny of financial records and proper arrangements for the approval of expenditure | Yes | Detailed reports are circulated before every meeting to all cllrs |
| Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved | Yes | |
| Payments supported by invoices, authorised and minuted | Yes | |
| Regular scrutiny of income records to ensure income is correctly received, recorded and banked | Yes | |
| Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification | Yes | |
| | | |
| Contracts of employment for staff<br><br>Updating records to record changes in relevant legislation<br><br>PAYE/NIC properly operated by the Council as an employer | Yes<br><br>Yes<br><br>N/A | <br><br><br><br>Salary does not meet the threshold, however HMRC payroll used. |
| | | |
| VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook | Yes | |
| | | |
| Regular financial reporting to Parish Council | Yes | |
| Regular budget monitoring statements as reported to Parish Council | Yes | |
| Compliance with DCLG Guide *Open & Accountable Local Government* 2014, Part 4:<br><br>Officer Decision Reports | Yes | |
| Compliance with Local Transparency Code Of 2014: | Yes | |

| | | |
|---|---|---|
| Items of expenditure incurred over £100 | | |
| Verifying that the Council is compliant with the General Data Protection Regulation requirements<br><br>Are the following in place:<br>• Audit / Impact Assessment<br>• Privacy Notices<br>• Procedures for dealing with Subject Access Requests<br>• Procedure for dealing with Data breaches<br>• Data Retention & Disposal Policies | Yes<br><br>Yes<br>Yes<br>Yes<br>Yes<br>Yes | |
| Minutes properly numbered and paginated with a master copy kept in for safe-keeping | Yes | |
| | | |
| Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality | Yes | |
| | | |
| Adoption of Codes of Conduct for Members | Yes | |
| Declaration of Acceptance of Office | Yes | |

Date of review of system of Internal Controls.....20.05.24.....

Review of system of Internal Controls carried out by:

Name.....[redacted].....Signature.....[redacted].....

Report submitted to Council (date).....20.05.24.....

(minute reference) ...11.....

Next review of system of Internal Controls due.....May 2026.....

Additional comments by reviewer: