STAPLE PARISH COUNCIL INTERNAL CONTROLS POLICY 2025

SCOPE OF RESPONSIBILITY

Staple Parish Council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the effective management of risk.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

Internal control is designed to reduce the financial risk to the Council; the system of internal control is designed to ensure that the Council's activities are carried out properly and as intended. Internal controls are set up by the Responsible Finance Officer (RFO) but it also falls to Council Members to ensure that they have a degree of control and understanding of those controls. Controls will include the checking of routine financial procedures; the examination of financial comparisons; the recording of assets and liabilities; the identification of risk and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

PERSONNEL INVOLVED WITH THE INTERNAL CONTROL

• The Council has appointed a Chair who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawfully taken.

• The Chair of each meeting signs the minutes which record the proposer and seconder of all resolutions passed at Council and Committee meetings.

• Decisions made are within the Standing Orders and Financial Regulations laid down and approved by the Council. These are kept regularly under review.

• The Council reviews its obligations and objectives and approves budgets for the following year at its November meeting.

• The Council approves the level of precept for the following financial year.

• The Council receive regular financial statements which are approved at the Ordinary Town Council meetings.

• Payments are made in accordance with Standing Orders and Financial Regulations.

• The appointment of authorised signatories is kept under review.

• Two Councillors (from the currently authorised signatories) sign all cheques. The signatories also initial the cheque stub. The signatories ensure that the cheque agrees with the amount of the invoice and the payee named on the invoice.

• All Council policies are reviewed regularly for accuracy in relation to the policy areas they reflect, changes in legislation and current best practice.

Adopted by Staple Parish Council on 8th October 2025

Signed on behalf of SPC: T. J Burn

Minute Number: 80/25

Position: _____

• The Council has an up-to-date Risk Assessment Policy which is reviewed annually or earlier if required and actions are put in place to either control, mitigate or remove risks as they occur.

Clerk to the Council / Responsible Financial Officer

The Council has appointed a Clerk to the Council who acts as the Council's advisor and principal administrator. The Clerk is also the Council's RFO and is responsible for managing the Council's finances. The RFO is responsible for the day-to-day compliance with legislation and policies and for managing risks. The RFO ensures that the Council's procedures, control systems and polices are maintained. The RFO also exercises responsibility for the Council's banking arrangements. The duties of the Clerk / RFO are laid down in a Job Description. The RFO manages the timetable for the audit programme; Council approval of the annual return and the compliance with the electors' rights. The RFO submits all the requested information to the External Auditor by the agreed date and arranges for the required publication of notices, accounts and returns. The RFO will retain all relevant documents relating to the financial year for 6 years; Annual Returns, VAT Returns, PAYE/NIC information, Public notices, Fixed Asset register, risk assessments; accounts and supporting information.

Internal Auditor

The Council has appointed an Independent Internal Auditor who will report to the Council on the adequacy of the Council's:

• Records, procedures and systems

• Book-keeping and bank reconciliations

• Financial regulations and standing Orders

• Budgetary controls

• Asset management

• Payment controls

• Risk management

• Statutory / regulatory compliance

• Regular reviews of the effectiveness of internal control

The effectiveness of the internal audit is reviewed annually, and the Council reviews the appointment of the Internal Auditor. The Internal Auditor, who is competent and independent, will carry out the work required in accordance with the Governance and Accountability Guide for Local Councils. The Internal Auditor will inspect the accounts at the year-end and complete page 5 of the Annual Return. The Internal Auditor will write a separate report detailing any findings they might have. The report is copied to all members of the Council and considered as an agenda item at the next meeting. Recommendations from the report will be recorded in the minutes.

Adopted by Staple Parish Council on 8th October 2025

Signed on behalf of SPC: _____

Minute Number: _____80/25_____

Position: _____

External Audit

Staple Parish Council's income and expenditure is normally below the threshold of £25,000 and can choose to claim an Exemption to an External Audit.

REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control. The review is informed by the work and any issues identified by:

• Full Council – identification of new activities

• Clerk / RFO who has responsibility for the development and maintenance of the internal control environment and managing risks

• Internal Auditor, who reviews the Council's system of internal control and who makes a written report to the Council

• The Council's External Auditors when applicable, who make the final check using the Annual Return, a form completed and signed by the RFO, the Chairman and the Internal Auditor. The External Auditor issues an annual audit certificate.

SIGNIFICANT INTERNAL CONTROL ISSUES

No significantinternal control issues were identified during the last financial year ending 31 March 2025.

DATA PROTECTION COMPLIANCE

The Council has fully complied with the Data Protection legislation which came into force in the United Kingdom on 25 May 2018 and keeps its compliance under regular review. Risks associated with Data Protection are reviewed annually or earlier if required.

Members are requested to consider this Statement of Internal Control Policy and to agree it.

On agreement, the Chair will sign off the policy.

Adopted by Staple Parish Council on 8th October 2025

Signed on behalf of SPC: ___T. J. Burn_____

Minute Number: _____80/25_____

Position: _____