



## 1. SCOPE OF RESPONSIBILITY

Wickham Market 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. The January meeting of the council approves the level of precept for the following financial year.

The Council has appointed a Finance Committee. The Committee meet 6 times during the financial year. Members of the Committee monitor progress against objectives, financial systems and procedures, budgetary control and carry out regular reviews of financial matters. The minutes of the meetings of the Committee are circulated to all members of the Council. A Councillor is appointed to have responsibility for bank reconciliation checks.

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 sign the payment approval schedule. The signatories should consider each payment against the relevant invoice and sign the corresponding schedule. 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.

### **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 May, 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.

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Chairman      Cllr French

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RFO/Clerk    A Besly

Approved and adopted by Wickham Market Parish Council)

Meeting date: 17 March 2025

## WICKHAM MARKET 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, the Parish Council has appointed a non-signatory 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
Reviewed by John Day, 26.2.25		
	Yes/No	
Ensuring an up to date Register of Assets	Yes	<i>Reviewed and approved annually</i>
Regular maintenance arrangement for physical assets	Yes	<i>Play Equipment regularly inspected Village Hall is an asset managed with CIO</i>
Annual review of risk and the adequacy of Insurance cover	Yes	<i>Reviewed and approved in May Village Hall is an asset managed with CIO</i>
Annual review of financial risk	Yes	<i>Reviewed and approved in May</i>
Awareness of Standing Orders and Financial regulations	Yes	<i>Reviewed and approved in May</i>
Adoption of Financial Regulations and Standing Orders	Yes	<i>Reviewed and approved in May</i>
Regular reporting on performance by contractors	Yes	<i>Annually reviewed by Clerk and reported to Full Council. Covers Grass etc.</i>
Annual review of contracts (where appropriate)	Yes	<i>Contracts reviewed annually and re-tendered upon expiry. Mostly maintenance</i>
Regular bank reconciliation, independently reviewed	Yes	<i>Provided for review at bimonthly Parish Council meetings. ( Full Council Meetings)</i>
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	<i>Provided for review at bimonthly Parish Council meetings. Transparent process</i>
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	Yes	<i>Wickham Market Parish Council hold the General Power of Competence. Should any expenditure fall outside this power it is recorded</i>
Payments supported by invoices, authorised and minuted	Yes	<i>Provided for review and approval at bi-monthly Parish Council meetings Suggested Payment Authority sheets passed by Finance Committee are scanned and retained electronically, as well as the hard copies.</i>

Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	<i>Provided for review at bimonthly Parish Council meetings as part of the finance report</i>
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	Yes	<i>Reviewed biannually by the Finance and General Purpose committee</i>
Contracts of employment for staff	Yes	<i>Yes. Noted staff are covered by Liability</i>
Contract annually reviewed	Yes	<i>Yes Insurance</i>
Updating records to record changes in relevant legislation	Yes	<i>Yes</i>
PAYE/NIC properly operated by the Council as an employer	Yes	<i>Yes – annually</i>
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	Yes	<i>Yes, VAT 126 claim made annually.</i>
Regular financial reporting to Parish Council	Yes	<i>Finance report at bimonthly meetings</i>
Regular budget monitoring statements as reported to Parish Council	Yes	<i>Finance report at bimonthly meetings Finance Committee noted as 5 members</i>
Compliance with DCLG Guide <i>Open &amp; Accountable Local Government</i> 2014, Part 4: Officer Decision Reports	Yes	<i>Yes, meeting dates are published in advance. Members of the public are welcome to attend except for confidential/exempt items. Published minutes record decisions</i>
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	Yes	<i>Items of expenditure over £500 published annually. Retain scanned copies</i>
Verifying that the Council is compliant with the General Data Protection Regulation requirements Are the following in place: <ul style="list-style-type: none"> <li>• Audit / Impact Assessment</li> <li>• Privacy Notices</li> <li>• Procedures for dealing with Subject Access Requests</li> <li>• Procedure for dealing with Data breaches</li> <li>• Data Retention &amp; Disposal Policies</li> </ul>	Yes	<i>Noted that data is stored on laptop, on the Parish website and in the Cloud. Yes – Published on website Yes – Published on website Yes – Published on website Yes – Published on website</i>
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Yes	<i>Yes – Published on website with signed originals held by the Clerk</i>
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes	<i>Yes – Members interests published on ESC website and recorded in minutes where appropriate. On every agenda</i>
Adoption of Codes of Conduct for Members	Yes	<i>Yes - Annually</i>
Declaration of Acceptance of Office	Yes	<i>Yes – Originals held by the Clerk</i>

Date of review of system of Internal Controls                      7 March 2023

Review of system of Internal Controls carried out by:

Name   Cllr John Day                      Signature.....

Report submitted to Council    (date) 17 March 2025

(minute reference)

Next review of system of Internal Controls due March 2026

Additional comments by reviewer: