

EASTON PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR 2024-25 (approved 20 January 2025)

1. SCOPE OF RESPONSIBILITY

Easton 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 November 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 parish 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. A Responsible Financial Officer has been appointed 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.

The Council uses on-line banking. All invoices must be authorised by 2 members of the council. Paper copies of the invoices are initialled by the authorisers and held by the Clerk/RFO.

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.

All authorised cheque signatories or authorisers 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 January 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.

Approved and adopted by Easton Parish Council at their meeting on 20 January 2025

Next Review: January 2026

EASTON 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 Easton Parish Council has appointed a non-signatory Councillor to conduct a review of the system of internal control via the following tests on an annual 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
cH	Yes or No	
Ensuring an up to date Register of Assets	Yes	Register of assets last reviewed by councillors at AGM, May 2024. A copy is available to councillors and prisoners online at: https://easton.suffolk.cloud/assets/Finance/YEAR-END-AUDIT-DOCUMENTATION/2023-2024/ASSET-LIST-31.3.24.xlsx DAL
Regular maintenance arrangement for physical assets	Yes	All physical assets are checked on a regular basis by councillors and Parish Clerk. Any maintenance issues are discussed at next EPC meeting. DAL

Annual review of risk and the adequacy of Insurance cover	Yes	Current insurance was approved by councillors at Sept 2024 meeting. Cover was purchased immediately afterwards by Parish Clerk. Minutes of that meeting are available to councillors and parishioners online: https://easton.suffolk.cloud/assets/Agenda-and-Minutes/Minutes/2024/240930-Approved-minutes-signed-and-redacted-signature.pdf . DAL
Annual review of financial risk	Yes	Financial risk is reviewing as part of EPC's Risk Policy. This was at Jan 25 meeting. A copy is available to councillors and parishioners online: https://easton.suffolk.cloud/assets/Uploads/EPC-Risk-Assessment-24-25-approved-20-January-2025.pdf DAL
Awareness of Standing Orders and Financial regulations	Yes	Standing Orders were approved by councillors at AGM, May 24. Financial Regulation were also approved at AGM, May 24 and subsequently amended, reviewed and approved at Jan 25 EPC meeting. Councillors and parishioners can access these documents online. Standing Orders: https://easton.suffolk.cloud/assets/Uploads/EPC-Standing-Orders-24-25-approved-20-May-2024.pdf . Financial Regulations: https://easton.suffolk.cloud/assets/Uploads/EPC-Financial-Regulations-2024-25-approved-20-January-2025.pdf DAL
Adoption of Financial and Standing Orders	Yes	As above. Standing Orders adopted May 24 and Financial Regulations Jan 25. DAL
Regular reporting on performance by contractors	Yes	EPC currently has only one contractor. Their performance is monitored, as required, during EPC meetings, the last such review being Sept 24 (they carry out seasonal work). Minutes of that meeting are available to councillors and parishioners online: https://easton.suffolk.cloud/assets/Agenda-and-Minutes/Minutes/2024/240930-Approved-minutes-signed-and-redacted-signature.pdf . DAL
Annual review of contracts (where appropriate)	Yes	As above. DAL
Regular bank reconciliation, independently reviewed	Yes	Bank reconciliation documents are reviewed for approval at each EPC meeting. Once approved by councillors, they are signed by a councillor who is not on the bank mandate. DAL

Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	Financial reports are reviewed for approval at each EPC meeting. Once approved by councillors, they are signed by a councillor and published online for councillors and parishioners. The latest version (Jan 25) can be found here: https://easton.suffolk.cloud/assets/Finance/Financial-Statements-2024-2025/250120-Financial-Statement-signed-and-redacted.pdf DAL
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	Yes	This information is included within the Financial Reports which are approved at each EPC meeting. Statutory provisions under which payments are made are clearly identified within the documentation. (see link under section 12). DAL
Payments supported by invoices, authorised and minuted	Yes	All invoices received by EPC are approved by councillors who are on the bank mandate (currently Cllr Piggott & Cllr Gibbon). A random audit of invoices for the current financial year shows that each one has been authorised for payment and duly recorded on the Payments and Receipts spreadsheet by the RFO. DAL
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	All income received by EPC is recorded on the payments and receipts spreadsheet manager by the RFO. The RFO is able to monitor EPC's bank account online to ensure payments are received on time and then follow-up on any which are overdue. Typically, EPC does not receive cash payments. DAL
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	Yes	The precept request for 24-25 financial year was submitted to ESC in January 2024: £10,507.99. This was paid in two instalments in May 24 and November 24, each instalment was recorded within the relevant Financial Reports and duly approved at EPC meetings (May 24 and Nov 24). DAL

<p>Contracts of employment for staff Contract annually reviewed Updating records to record changes in relevant legislation PAYE/NIC properly operated by the Council as an employer</p>	<p>Yes</p>	<p>The contact for the Parish Clerk/RFO was last updated, reviewed and approved by councillors in September 2024; it is next due for review in September 2025.</p> <p>Payroll service for EPC is outsourced to SALC who prepare payslips and invoice EPC. Each invoices for their services follows the same approval and recording process as detailed in section 16 of this document.</p> <p>The Parish Clerk/RFO's earnings do not reach the threshold for either national insurance or incomes tax, therefore there are no invoices showing such payments. DAL</p>
<p>VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook</p>	<p>Yes</p>	<p>All reclaimable VAT is recorded on the Payments and Receipts spreadsheet by the RFO. In line with Financial regulations EPC reclaims VAT annually. The last claim, for financial year 23-24, was submitted in January 2025 (delayed due to EPC being temporarily without an RFO). The claim for the current financial year (24-25) will be submitted no later than the end of May 25. DAL</p>
<p>Regular financial reporting to Parish Council</p>	<p>Yes</p>	<p>See sections 12 & 13 - Financial monitoring is a standing agenda item for EPC. DAL</p>
<p>Regular budget monitoring statements as reported to Parish Council</p>	<p>Yes</p>	<p>The financial reports produced by the RFO and shared with councillors in every EPC meeting, include all relevant details. DAL</p>
<p>Compliance with DCLG Guide <i>Open & Accountable Local Government 2014</i>, Part 4: Officer Decision Reports</p>	<p>Yes</p>	<p>At least 3 days prior to each EPC meeting, the agenda is published online and a copy placed on the village notice board.</p> <p>Following each meeting, the Parish Clerk produces and publishes the minutes, within one month, and makes them available to parishioners using the same location(s).</p> <p>The most recently published agenda can be found here: https://easton.suffolk.cloud/assets/Uploads/250324-Agenda.pdf and the most recent minutes here: https://easton.suffolk.cloud/assets/Uploads/250324-Agenda.pdf</p>

		EP's only officer Parish Clerk/RFO has no delegated powers to make decisions on behalf of EPC. DAL
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	Yes	As detailed in the section above, all relevant documentation is appropriately displayed (online and on village notice board) to ensure parishioners have full access. All expenditure by EPC is included with the Financial Reports reviewed and approved by councillors at each EPC meeting and, as previously mentioned, these are published online. DAL

<p>Verifying that the Council is compliant with the General Data Protection Regulation requirements</p> <p>Are the following in place:</p> <ul style="list-style-type: none"> • Audit / Impact Assessment • Privacy Notices • Procedures for dealing with Subject Access Requests • Procedure for dealing with Data breaches • Data Retention & Disposal Policies 	<p>Yes</p>	<p>EPC's General Data Protection Regulation Policy is reviewed and approved annually, the last review being in May 24 at the AGM. The policy can be accessed online by councillors and parishioners here: https://easton.suffolk.cloud/assets/Uploads/EPC-Data-Protection-Policy-GDPR-24-25-approved-20-May-2024.pdf</p> <p>Although EPC does not, as a rule, hold personal data, any it does hold is stored on a password-protected computer and such details are never printed or distributed other than in accordance with the approved policy. DAL</p>
<p>Minutes properly numbered and paginated with a master copy kept in for safekeeping</p>	<p>Yes</p>	<p>The Parish Clerk produces a printed copy of each set of minutes, these are numbered in the format Page x of y etc. Each page is initially by the Chair and approved at the following meeting. The Parish Clerk keeps the signed copy securely in their office. DAL</p>
<p>Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality</p>	<p>Yes</p>	<p>Members' Interests, Gifts and Hospitality are recorded in each meeting's minutes; this is a standing agenda item. DAL</p>

Adoption of Codes of Conduct for Members	Yes	EPC's Code of Conduct is reviewed and approved annually, the last review being in November 24. The policy can be accessed online by councillors and parishioners here: https://easton.suffolk.cloud/assets/Uploads/EPC-Code-of-Conduct-approved-18-November-2024.pdf DL
Declaration of Acceptance of Office	Yes	The Parish Clerk holds hard copies of Declarations of Interest, the latest copies, seen as part of this Internal Control Review, were signed in May 24. DAL

Date of review of system of Internal Controls: 20 March 2025

Review of system of Internal Controls carried out by:



Name: David Ladbrook

Signature:

Report submitted to Council:

Approved at meeting on 24 March 2025

(minute reference): 115/24-25

Next review of system of Internal Controls due: March 2026

Additional comments by reviewer: none