

STAMFORDHA PARISH COUNCIL

STATEMENT OF INTERNAL CONTROL FOR YEAR ENDING 31ST MARCH 2026

1. SCOPE OF RESPONSIBILITY

Stamfordham 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.

In discharging this overall responsibility, the Council is also 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 ongoing 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 has appointed a Chairman who is responsible, with the advice of the Clerk, for the smooth running of meetings and for ensuring that all Council decisions are lawful.

The Council reviews its obligations and objectives, approving budgets for the following year at its January meeting. The January meeting of the Council approves the level of the precept for the following financial year.

The Council meet six times a year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Clerk/RFO (Proper Officer)

4. **Clerk to the Council and Responsible Financial Officer (Proper Officer)**

The Council has appointed the Clerk as the Responsible Financial Officer who acts as the Council's advisor and administrator. The Clerk/RFO is responsible for administering the Council's finances. The Clerk/RFO is responsible for the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk/RFO also ensures that the Council's procedures, control systems and policies are adhered to.

5. **Payments**

All payments are reported to the Council for authorisation, two members of the Council must sign each payment. The Clerk and one cheque signatory are responsible for the making of payments electronically. Direct Debits will be reviewed on an annual basis. There is currently one payment to HMRC (PAYE) paid by direct debit.

6. Risk Assessment and Management

The Council carries out risk assessments in respect of actions and regularly reviews its systems and controls.

7. Internal Audit

The Council has appointed an independent Internal Auditor who reports to the Council on the adequacy of its:

- Records
- Procedures
- Systems
- Internal Control
- Regulations
- Risk Management
- Reviews

8. REVIEW OF EFFECTIVENESS

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

- The Full Council
- The Proper Officer has responsibility for the development and maintenance of the internal control system and managing risks
- The Independent Internal Auditor who reviews the Council's system of Internal Control, the Annual Return, a form completed and signed by the Responsible Financial Officer (Proper Officer), the Chairman and the Internal Auditor.;

9. Actions taken in regard to issues raised following 2024-25 Internal Audit

There were no issues raised following the 2024-2025 Internal Audit.