

# **NAVENBY WITH SKINNAND PARISH COUNCIL**

## **INTERNAL CONTROL STATEMENT**

**Adopted:** January 2026

**Review:** May 2026

### **INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2026**

#### **Scope of Responsibility**

1. Navenby with Skinnand 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.
2. The Council is responsible for ensuring that there is a sound system of internal control which facilitates exercise of the Council's functions, and which includes arrangements for the management of risk.
3. The Council is required to review at least annually (every March) the effectiveness of its system of financial control. This is informed by the work of the Internal Auditor, the Responsible Finance Officer, and the Parish Council as a whole, who have responsibility for the development and maintenance of the internal audit environment, and any comments made by the external auditors in their annual report.

#### **Purpose of the System of Internal Control**

4. The Council's system of internal control is designed to manage risks to a reasonable level rather than to eliminate all risk of failure. It cannot provide an absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to policies, aims and objectives, to evaluate the likelihood of those risks being realised, and the impact should they be realised, and to manage them effectively and economically.
5. The system of internal controls is set out in the NALC Joint Panel on Accountability and Governance Practitioners' Guide March 2024.

#### **The Internal Control Environment**

6. The Council:
  - a. Has adopted Financial Regulations (reviewed yearly) which sets out the parameters for the Council's financial operations.
  - b. Has adopted Standing Orders modelled on those recommended by NALC (reviewed yearly).

- c. Reviews its obligations and objectives and approves budgets for the following year at its November meeting. The December meeting of the Council approves the level of Precept for the following financial year.
  - d. Maintains a register of all material assets owned by or in its care. The Clerk updates as and when necessary and this is approved annually.
  - e. Reviews its insurance annually both in relation to its schedule of cover and value for money.
7. Clerk to the Council/Responsible Finance Officer:
- a. The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The Clerk is assisted by the Council's Responsible Finance Officer who is responsible for administering the Council's finances.
  - b. 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.
8. Payments:
- a. Details of all BACS payments are forwarded to each Council member on an Approval List.
  - b. The invoices and amounts are checked by the Chair prior to the meeting when authorisations are given for the invoices to be paid.
9. Income: All income is received and banked in the Council's name within one calendar month and reported to the Council at the end of each month.
10. Payroll Control:
- a. All employees have a Contract of Employment with clear terms and conditions.
  - b. The Council approves all salaries.
  - c. PAYE is being properly operated by the Council as an employer and monthly submissions are made to HMRC under Real Time.
11. VAT: All VAT payments are identified, recorded, and reclaimed at the end of the financial year.
12. Risk Assessments/Risk Management: The Council reviews its Risk Assessment annually and regularly reviews its systems and controls.

13. Internal Audit: The internal audit is carried out by an independent internal auditor who reports to the Council on the adequacy of its records, procedures, systems, internal controls, regulations, and risk management reviews.

14. External Audit: The Council's external auditors submit an annual certificate of audit which is presented to the Council.

### **Review of Effectiveness**

15. 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 on Internal Control.

### **Code of Conduct**

16. Each member must sign Acceptance of the Code and complete a Register of Interest form. Members to consider every item on the agenda and ensure that any interest is declared at the beginning of the meeting or before the matter is discussed.

17. An item 'Declarations of Interest' will be placed on every Agenda.