



Kelbrook & Sough Parish Council

Internal Control Policy

Policy Title:	Internal Control	Policy Version: 1
Author:	Clerk/RFO	Adopted: 08.05.2025
Reviewed by Council:	08.05.2025	Effective from: 08.05.2025
Review Period:	Annual or before if required	
Reason for Change:	First Adoption	
Minute Ref:	A2025.08.05.11	
Next Review Date:	On or before 31.05.2026	

KELBROOK & SOUGH PARISH COUNCIL

INTERNAL CONTROL STATEMENT

1. SCOPE OF RESPONSIBILITY

Kelbrook and Sough Parish Council is responsible for ensuring its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, used economically, efficiently and effectively.

The council is responsible for ensuring that there is a sound system of internal control that 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 policy, aims and objectives; it cannot provide absolute assurance of effectiveness. The system of internal control is an on-going process designed to identify and prioritise the risks to Council in achieving policy, aims and objectives, to evaluate the likelihood of those risks being realised and the impact, and to manage them efficiently, effectively, and economically.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council:

Reviews its obligations and objectives and approves a budget for the following year at its January meeting. The January meeting of the council approves the level of precept for the following fiscal 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 conducts 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 every cheque. For its internet banking, the clerk/RFO is the councils authorised administrator and all payments made this way require two factor authorisation. Annual reviews of Direct Debits and Regular Payments are carried out enabling payments to be made in a timely manner.

Income

All income is received and banked in a timely manner and reported to the council.

Risk Management and Assessments

The council reviews its risk assessment annually 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 review of the effectiveness of the system of Internal Control is informed by the work of:

- The Full Council
- The Clerk/RFO who has the responsibility for the development and maintenance of the internal control environment and managing risks
- The independent Internal Auditor who reviews the Council's system of internal control
- The External Auditor, who makes the final check using the Annual Return and issues an Annual Audit Report (Part 3 of the Annual Governance and Accountability Return)
- The number of significant issues that are raised during the year